As filed with the Securities and Exchange Commission on April 26, 2006

Securities Act File No. 333-130326

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 4
TO
FORM S-1
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

COMPASS DIVERSIFIED TRUST

(Exact name of Registrant as specified in charter)

Delaware	**7363**	**57-6218917**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

(Exact name of Registrant as specified in its charter)

Delaware	**7363**	**20-3812051**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

Sixty One Wilton Road
Second Floor
Westport, CT 06880
(203) 221-1703
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

I. Joseph Massoud
Chief Executive Officer
Compass Group Diversified Holdings LLC
Sixty One Wilton Road
Second Floor
Westport, CT 06880
(203) 221-1703

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Steven B. Boehm
Cynthia M. Krus
Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004
(202) 383-0100
(202) 637-3593 — Facsimile

Ralph F. MacDonald, III
Michael P. Reed
Alston & Bird LLP
One Atlantic Center
1201 West Peachtree Street
Atlanta, GA 30309
(404) 881-7000
(404) 253-8272 — Facsimile

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box: o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Security Being Registered	Amount Being Registered	Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Shares representing beneficial interests in Compass Diversified Trust			$ 287,500,000	(4)
Trust interests of Compass Group Diversified Holdings LLC			(2)	(3)
Total			$ 287,500,000	(4)

(1) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) The number of trust interests of Compass Group Diversified Holdings LLC registered hereunder is equal to the number of shares representing beneficial interests in Compass Diversified Trust that are registered hereby. Each share representing one beneficial interest in Compass Diversified Trust corresponds to one underlying trust interest of Compass Group Diversified Holdings LLC. If the trust is dissolved, each share representing a beneficial interest in Compass Diversified Trust will be exchanged for a trust interest of Compass Group Diversified Holdings LLC.
(3) Pursuant to Rule 457(i) under the Securities Act, no registration fee is payable with respect to the trust interests of Compass Group Diversified Holdings LLC because no additional consideration will be received by Compass Diversified Trust upon exchange of the shares representing beneficial interests in Compass Diversified Trust.
(4) Previously paid on December 14, 2005.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

Compass Diversified Trust and Compass Group Diversified Holdings LLC are filing this Amendment No. 4 to the Registration Statement on Form S-1 (File No. 333-130326) solely for the purpose of filing exhibits 3.4, 3.5, 3.6, 4.1, 4.2, 10.1, 10.4 and 10.8 thereto, and no changes or additions are being made hereby to the prospectus that forms a part of the Registration Statement. Accordingly, the prospectus is being omitted from this filing.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The estimated expenses payable by us in connection with the offering described in this registration statement (other than the underwriting discount and commissions and the representative non-accountable expense allowance) will be as follows:

SEC Registration Fee	$	30,763
Financial Advisory Fee	$	525,000
NASD Filing Fee	$	29,250
Listing Application Fee	$	5,000
Accounting Fees and Expenses	$	1,635,000
Printing and Engraving Expenses	$	750,000
Legal Fees and Expenses	$	2,800,000
Hart Scott Rodino Filing Fee	$	125,000
Miscellaneous(1)	$	104,987
Total	$	6,000,000

(1) This amount represents additional expenses that may be incurred by the company or underwriters in connection with the offering over and above those specifically listed above, including distribution and mailing costs.

Item 14. ***Indemnification of Directors and Officers.***

Certain provisions of our LLC agreement are intended to be consistent with Section 145 of the Delaware General Corporation Law, which provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation and certain other persons serving at the request of the corporation in related capacities against amounts paid and expenses incurred in connection with an action or proceedings to which he is, or is threatened to be made, a party by reason of such position, if such person shall have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal proceedings, if such person had no reasonable cause to believe his conduct was unlawful; provided that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the adjudicating court determines that such indemnification is proper under the circumstances.

Our LLC agreement includes a provision that eliminates the personal liability of its directors for monetary damages for breach of fiduciary duty as a director, except for liability:

- for any breach of the director's duty of loyalty to the company or its members;
- for acts or omissions not in good faith or a knowing violation of law;
- regarding unlawful dividends and stock purchases analogous to Section 174 of the Delaware General Corporation Law; or
- for any transaction from which the director derived an improper benefit.

Our LLC agreement provides that:

- we must indemnify our directors and officers, manager and members to the equivalent extent permitted by Delaware General Corporation Law;
- we may indemnify our other employees and agents to the same extent that we indemnified our officers and directors, unless otherwise determined by the company's board of directors; and
- we must advance expenses, as incurred, to our directors and executive officers in connection with a legal proceeding to the extent permitted by Delaware law and may advance expenses as incurred to our other employees and agents, unless otherwise determined by the company's board of directors.

The indemnification provisions contained in our LLC agreement are not exclusive of any other rights to which a person may be entitled by law, agreement, vote of members or disinterested directors or otherwise.

In addition, we will maintain insurance on behalf of our directors and executive officers and certain other persons insuring them against any liability asserted against them in their respective capacities or arising out of such status.

Pursuant to the Underwriting Agreement filed as Exhibit 1.1 to this registration statement, we have agreed to indemnify the underwriters and the underwriters have agreed to indemnify us against certain civil liabilities that may be incurred in connection with this offering, including certain liabilities under the Securities Act.

Item 15. ***Recent Sales of Unregistered Securities.***

Not Applicable

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) The following exhibits are filed as part of this Registration Statement:

Exhibit No.	Description
1.1	Form of Underwriting Agreement*
2.1	Form of Stock Purchase Agreement by and among Compass Group Diversified Holdings LLC, Compass Group Investments, Inc., Compass CS Partners, L.P., Compass CS II Partners, L.P., Compass Crosman Partners, L.P., Compass Advanced Partners, L.P. and Compass Silvue Partners, L.P.‡
3.1	Certificate of Trust of Compass Diversified Trust†
3.2	Trust Agreement dated as of November 18, 2005 of Compass Diversified Trust†
3.3	Certificate of Formation of Compass Group Diversified Holdings LLC†
3.4	LLC Agreement dated as of November 18, 2005 of Compass Group Diversified Holdings LLC
3.5	Amended and Restated Trust Agreement of Compass Diversified Trust
3.6	Amended and Restated Operating Agreement of Compass Group Diversified Holdings LLC
4.1	Specimen certificate evidencing a share of trust of Compass Diversified Trust (included in Exhibit 3.5)
4.2	Specimen certificate evidencing an interest of Compass Group Diversified Holdings LLC (included in Exhibit 3.6)
5.1	Form of Opinion of Sutherland Asbill & Brennan LLP*
5.2	Form of Opinion of Richards, Layton & Finger, P.A.*
8.1	Form of Tax Opinion*
10.1	Form of Management Services Agreement among Compass Group Diversified Holdings LLC and Compass Group Management LLC
10.2	Form of Option Plan*
10.3	Form of Registration Rights Agreement*
10.4	Form of Supplemental Put Agreement by and between Compass Group Management LLC and Compass Group Diversified Holdings LLC
10.5	Employment Agreement by and between Compass Group Management LLC and James Bottiglieri dated as of September 28, 2005‡
10.6	Form of Private Placement Agreement by and between Compass Group Diversified Holdings LLC and Compass Group Investments, Inc.*
10.7	Form of Private Placement Agreement by and between Compass Group Diversified Holdings LLC and Pharos I LLC*
10.8	Form of Credit Agreement by and between Compass Group Diversified Holdings LLC and each of the initial businesses
10.9	Shareholders' Agreement for holders of CBS Personnel Holdings, Inc. Class C common stock‡
10.10	Stockholder's Agreement for holders of Crosman Acquisition Corp. common stock‡

Exhibit No.	Description
10.11	Stockholder’s Agreement for holders of Compass AC Holdings, Inc. common stock‡
10.12	Stockholder’s Agreement for holders of Silvue Technologies Group, Inc. common stock‡
10.13	Form of Lock-up Agreement (included in Exhibit 1.1)*
10.14	Diablo Marketing LLC Members Agreement‡
10.15	Management Services Agreement by and between Compass CS Inc. and Kilgore Consulting II LLC dated as of October 13, 2000‡
10.16	Form of Amendment of Management Services Agreement by and between Compass CS Inc. and Kilgore Consulting II LLC‡
10.17	Management Services Agreement by and between Crosman Corporation and Kilgore Consulting III LLC dated as of February 10, 2004‡
10.18	Form of Amendment of Management Services Agreement by and between Crosman Corporation and Kilgore Consulting III LLC‡
10.19	Management Services Agreement by and between Advanced Circuits, Inc. and WAJ, LLC dated as of September 20, 2005‡
10.20	Form of Amendment of Management Services Agreement by and between Advanced Circuits, Inc. and WAJ, LLC‡
10.21	Management Services Agreement by and between SDC Technologies, Inc. and Kilgore Consulting III LLC dated as of September 2, 2004‡
10.22	Form of Second Amendment of Management Services Agreement by and between SDC Technologies, Inc. and Kilgore Consulting III LLC‡
10.23	Form of Amendment to Stockholders’ Agreement for holders of Silvue Technologies Group, Inc. common stock‡
10.24	Commitment Letter by and among Compass Group Diversified Holdings LLC The Compass Group International LLC and Ableco Finance LLC‡
23.1	Consent of Grant Thornton LLP‡
23.2	Consent of Grant Thornton LLP‡
23.3	Consent of PricewaterhouseCoopers LLP‡
23.4	Consent of PricewaterhouseCoopers LLP‡
23.5	Consent of Bauerle and Company, P.C.‡
23.6	Consent of White, Nelson & Co. LLP‡
23.7	Consent of Grant Thornton LLP‡
23.8	Consent of Grant Thornton LLP‡
23.9	Consent of Sutherland, Asbill & Brennan LLP (included in Exhibit 5.1)*
23.10	Consent of Richards, Layton & Finger, P.A. (included in Exhibit 5.2)*
24	Powers of Attorney†
99.1	Consent of Duff & Phelps LLC‡

* To be filed by amendment.

† Previously filed on December 14, 2005.

‡ Previously filed on April 13, 2006.

(b) All financial statement schedules required pursuant to this item were either included in the financial information set forth in the prospectus or are inapplicable, and, therefore, have been omitted.

Item 17. ***Undertakings.***

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registration or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment No. 4 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Westport, in the State of Connecticut, on April 26, 2006.

COMPASS DIVERSIFIED TRUST

By: COMPASS GROUP DIVERSIFIED HOLDINGS LLC, as Sponsor

By: /s/ I. JOSEPH MASSOUD

I. Joseph Massoud
Chief Executive Officer

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment No. 4 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Westport, in the State of Connecticut, on April 26, 2006.

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By: /s/ I. JOSEPH MASSOUD

I. Joseph Massoud
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 4 to the registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ I. JOSEPH MASSOUD I. Joseph Massoud	Chief Executive Officer (Principal Executive Officer) and Director	April 26, 2006
/s/ JAMES J. BOTTIGLIERI James J. Bottiglieri	Chief Financial Officer (Principal Financial and Accounting Officer) and Director	April 26, 2006
* C. Sean Day	Director	April 26, 2006
* D. Eugene Ewing	Director	April 26, 2006
* Ted Waitman	Director	April 26, 2006
* Harold S. Edwards	Director	April 26, 2006
* Mark H. Lazarus	Director	April 26, 2006

*By: /s/ I. JOSEPH MASSOUD

I. Joseph Massoud
Attorney-in-fact

EXHIBIT INDEX

Exhibit No.	Description
3.4	LLC Agreement dated as of November 18, 2005 of Compass Group Diversified Holdings LLC
3.5	Amended and Restated Trust Agreement of Compass Diversified Trust
3.6	Amended and Restated Operating Agreement of Compass Group Diversified Holdings LLC
4.1	Specimen certificate evidencing share of trust stock of Compass Diversified Trust (included in Exhibit 3.5)
4.2	Specimen certificate evidencing Trust interest of Compass Group Diversified Holdings LLC (included in Exhibit 3.6)
10.1	Form of Management Services Agreement among Compass Group Diversified Holdings LLC and Compass Group Management LLC
10.4	Form of Supplemental Put Agreement by and between Compass Group Management LLC and Compass Group Diversified Holdings LLC
10.8	Form of Credit Agreement by and between Compass Group Diversified Holdings LLC and each of the initial businesses

Exhibit 3.4

Execution Copy

OPERATING AGREEMENT
OF
COMPASS GROUP DIVERSIFIED HOLDINGS LLC

Dated as of November 18, 2005

This OPERATING AGREEMENT shall be effective as of the 18th day of November 2005, and is entered into by Compass Group Management LLC (together with its successors and assigns, the ***"Member"***), as the sole member hereunder and pursuant to the provisions of the Act as in effect on the date hereof. Capitalized terms used in this Agreement without definition shall have the respective meanings specified in Article II.

RECITALS

A. The Company was formed on the date hereof, upon the filing of the Certificate of Formation with the Secretary of State of Delaware.

B. The Member wishes to enter into this Agreement to establish the rules and procedures that are to govern the business and affairs of the Company.

NOW, THEREFORE, the Member, intending to be legally bound, does hereby adopt the operating agreement of the Company as follows:

ARTICLE I

FORMATION

1.1. Formation. The Company is formed as a limited liability company under and pursuant to the provisions of the Act and upon the terms and conditions set forth herein. The rights and obligations of the Member and the terms and conditions of the Company shall be governed by the Act and this Agreement. To the extent the Act and this Agreement are inconsistent with respect to any subject matter covered in this Agreement, this Agreement shall govern, but only to the extent permitted by law.

1.2. Name. The name of the Company shall be Compass Group Diversified Holdings LLC.

1.3. Purposes. The purposes of the Company shall be to engage in any activity permissible for a limited liability company under the Act, all on the terms and conditions and subject to the limitations set forth in this Agreement.

1.4. Principal Place of Business; Registered Agent; Registered Office. The principal executive offices of the Company are at 61 Wilton Road, Westport CT 06880. The Company's registered agent for service of process in the State of Delaware shall be The Corporation Trust Company in the City of Wilmington, in the County of New Castle, in the State of Delaware. The registered agent's address and the address of the Company's registered office in the State of Delaware is 1209 Orange Street, Wilmington, Delaware 19801.

1.5. Commencement and Term. The term of the Company commenced at the time and date appearing in the Certificate of Formation and shall continue until in perpetuity, unless it is sooner dissolved, its affairs are wound up and final liquidating distributions are made pursuant to this Agreement.

1.6. Title to Assets; Transactions. The Company shall keep title to all of its assets in its own name and not in the name of its Member. The Company shall enter into and engage in all transactions in its own name and not in the name of its Member.

1.7. Certificates. Each member of the Board of Directors of the Company is hereby designated as an *"authorized person"* of the Company within the meaning of the Act and is authorized to execute, deliver and file all documents permitted or required to be filed with the Secretary of State of the State of Delaware, including the Certificate of Formation of the Company. Any member of the Board of Directors of the Company shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in Connecticut and in any other jurisdiction in which the Company may wish to conduct business.

ARTICLE II

DEFINITIONS

2.1. ***"Act"*** shall mean the Delaware Limited Liability Company Act, as in effect in Delaware (or any corresponding provision of succeeding law), as amended from time to time.

2.2. ***"Affiliate"*** shall mean, with respect to the Member, any person or entity that controls, is controlled by or under common control with the Member.

2.3. ***"Agreement"*** shall mean this Operating Agreement, as amended from time to time.

2.4. ***"Capital Contribution"*** shall mean with respect to the Member, the amount of money and any property (other than money) contributed to the Company with respect to the Interest of such Member.

2.5. ***"Certificate of Formation"*** shall mean the Certificate of Formation of the Company filed pursuant to the Act together with any amendments thereto.

2.6. ***"Code"*** shall mean the Internal Revenue Code of 1986, as amended from time to time, or any successor federal revenue law.

2.7. ***"Company"*** shall mean Compass Group Diversified Holdings LLC, the limited liability company formed pursuant to the Certificate of Formation and this Agreement.

2.8. ***"Interest"*** shall mean the limited liability company interest, including all of the economic rights, privileges, preferences and obligations of the Member, or successor or assignee with respect to the Company created under this Agreement or under the Act.

2.9. ***"Person"*** shall mean any natural person, partnership, trust, estate, association, limited liability company, corporation, custodian, nominee, governmental instrumentality or agency, body politic or any other entity in its own or any representative capacity.

ARTICLE III

INTERESTS; CAPITAL CONTRIBUTIONS

3.1 Interests. The Company shall be authorized to issue two classes of limited liability company interests: Class A Interests and Class B Interests, as provided below.

(a) Class A Interests. The Company shall be authorized to issue up to five hundred million (500,000,000) Class A Interests, with the rights, privileges, preferences and obligations as may be determined by the Board of Directors in connection with any issuance of such Class A Interests. Any such rights, privileges and obligations shall be set forth in an amendment to this Agreement.

(b) Class B Interests. The Company shall be authorized to issue up to one hundred (100) Class B Interests. The Class B Interests shall be issued 100% to the Member, and all 100 of such Interests shall be issued to the Member upon the execution of this Agreement. The Member shall have all the rights, privileges, preferences and obligations set forth herein pertaining to holders of Class B Interests. The Class B Interests shall not be certificated, and the ownership of such Interests from time to time shall be reflected on Schedule A attached hereto. The Member shall have one vote per Class B Interest.

3.2. Capital Contributions. As of the date hereof, the Member has made Capital Contributions to the Company on the dates and in the amounts reflected on Schedule A attached hereto. The Member may (but shall not be obligated to) make additional Capital Contributions in such form and at such time as the Member shall determine in the Member's sole and absolute

discretion, which such additional Capital Contributions shall be evidenced in writing and recorded on Schedule A attached hereto.

3.3. Liability of Member. Except as otherwise provided by applicable law, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member (and its Affiliates) shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member (or an Affiliate thereof) of the Company.

ARTICLE IV

DISTRIBUTIONS

4.1. Distributions. To the maximum extent permitted by law, and subject to any other contractual restrictions agreed to by the Company or its Member in writing, the Company shall have authority to distribute cash or property to the Member, in such amounts, at such times and as of such record dates as the Board of Directors shall determine. Notwithstanding any provision of this Agreement to the contrary, the Company, and the Board of Directors on behalf of the Company, shall not be required to make any distribution to any Member or any other Person on account of its Interest if such distribution would violate Sections 18-607 or 18-804 of the Act or other applicable law.

ARTICLE V

MANAGEMENT

5.1. Board of Directors. Except as otherwise expressly provided herein, the business and affairs of the Company shall be managed by or under the direction of its Board of Directors. Each director of the Company, when acting in such capacity, is a manager within the meaning of Section 18-402 of the Act and as such is vested with the powers and authorities necessary for the management of the Company, and is authorized to act individually on behalf of the Company, in each case, subject to the terms of this Agreement. In addition to the powers and authorities expressly conferred upon it by this Agreement, the Board of Directors and each director acting individually may exercise all such powers of the Company and do all such lawful acts and things as are not prohibited by applicable law or this Agreement required to be exercised or done by the Member. For the avoidance of doubt, the Member is not a manager within the meaning of Section 18-402 of the Act.

5.2. Initial Board. Initially, the Board of Directors shall be comprised of the following individuals: I. Joseph Massoud, C. Sean Day, James Bottiglieri, D. Eugene Ewing, Theodore Waitman, Mark H. Lazarus and Harold S. Edwards (each an ***"Initial Director"*** and, collectively, the ***"Initial Board").*** Each Initial Director shall hold office until his or her successor is elected or appointed and qualified, or until his or her earlier death, resignation or removal in accordance with this Article V. The Board of Directors (including, without limitation, the Initial Board) and each Director (including, without limitation, each Initial Director) shall have all of the powers and authorities accorded to the Board of Directors under the terms of applicable law and this Agreement.

5.3. Number, Tenure and Qualifications. As provided in Section 5.2, the Initial Board shall be comprised of six (6) Initial Directors. Subject to this Section 5.3, the number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by the Board of Directors, but shall consist of not less than three (3) nor more than twelve (12) directors. However, no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director. The term of each director shall be the period from the effective date of such director's election to the next annual meeting of the Member and until such director's successor is duly elected and qualified or until such director's death, resignation or removal. Directors need not be residents of the State of Delaware or a member of the Company.

5.4. Election of Directors. Except as provided in Section 5.2 and 5.7, directors shall be elected at the annual meeting of the Member commencing with the first annual meeting after the date hereof.

5.5. Removal. Any director may be removed from office, with or without cause, by the Member. If any directors are so removed, new directors may be appointed by the Member at the same meeting.

5.6. Resignations. Any director, whether elected or appointed, may resign at any time upon notice of such resignation to the Company. If any director so resigns, a new director may be appointed by the Member immediately following such resignation.

5.7. Vacancies and Newly Created Directorships. Except as otherwise provided in Section 5.5, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by the Member immediately following such increase or vacancy.

5.8. Regular Meetings. A regular meeting of the Board of Directors shall be held without any other notice immediately after, and at the same place (if any) as, each annual meeting of the Member. The Board of Directors may, by resolution, provide the time and place

(if any) for the holding of additional regular meetings without any other notice than such resolution.

5.9. Special Meetings; Waiver of Notice. Special meetings of the Board of Directors shall be called at the request of the Member or any member of the Board of Directors. The Person or Persons who call for a special meeting of the Board of Directors may fix the place and time of such meeting. Notice of any special meeting of the Board of Directors shall be mailed, postage prepaid, to each director at his or her business or residence no later than three (3) days before the day on which such meeting is to be held or shall be sent to either of such places by express courier service or facsimile (directed to the facsimile number to which the director has consented to receive notice) or other electronic transmission (including, but not limited to, an e-mail address at which the director has consented to receive notice), or be communicated to each director personally or by telephone not later than one (1) day before such day of meeting. A meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting, either before or after such meeting.

5.10. Action Without Meeting. Any action required or permitted to be taken at any meeting by the Board of Directors may be taken without a meeting, without a vote and without prior notice, if a consent thereto is signed or transmitted electronically by a majority of the members of the Board of Directors and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors; provided, that such electronic transmission or transmissions must either set forth or be submitted with information from which it can be determined that the electronic transmission or transmissions were authorized by the director.

5.11. Conference Telephone Meetings. Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

5.12. Quorum. At all meetings of the Board of Directors, fifty percent (50%) of the then total number of directors in office shall constitute a quorum for the transaction of business. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn the meeting from time to time without further notice other than announcement at the meeting. The members of the Board of Directors present at a duly organized meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members of the Board of Directors to leave less than a quorum.

5.13. Specific Authority of the Board of Directors. In furtherance of Section 5.1 above, except as otherwise provided herein, the Board of Directors shall have all right, power and authority necessary, appropriate, desirable or incidental to carry out the conduct of the Company's business.

5.14. Officers.

(a) Subject to this Section 5.14, the Board of Directors shall elect the officers of the Company. Initially, the officers of the Company shall consist of a Chief Executive Officer and Chief Financial Officer, as identified below. All officers elected by the Board of Directors shall have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Section 5.14. Such officers shall also have powers and duties as from time to time may be conferred by the Board of Directors. Any number of offices may be held by the same Person, unless otherwise prohibited by applicable law or this Agreement. The officers of the Company need not be members or directors of the Company. In furtherance of the foregoing, I. Joseph Massoud shall be the Chief Executive Officer and James Bottiglieri shall be the Chief Financial Officer of the Company unless and until their successors shall have been duly elected and qualified or until their death, resignation or removal. The Chief Executive Officer and the Chief Financial Officer of the Company shall, subject to the oversight of the Board of Directors, have those duties and responsibilities as may be prescribed by the Board of Directors or this Agreement, from time to time. Any officer of the Company may resign at any time upon notice of such resignation to the Company. Subject to this Section 5.14, a newly created office and a vacancy in any office because of death, resignation or removal may be filled by the Board of Directors.

(b) Notwithstanding anything to the contrary contained in this Agreement, each officer of the Company is hereby authorized, without the vote, act or approval of the Member, the Board of Directors or any other person or entity, on behalf of the Company, in its discretion, (i) to prepare and file with the Securities and Exchange Commission (the ***"Commission"***) and execute, in each case on behalf of the Company, (a) a Registration Statement on Form S-l (the ***"1933 Act Registration Statement"***), including any pre-effective or post-effective amendments thereto, relating to the registration of any Interests under the Securities Act of 1933, as amended (the ***"Securities Act "***), (b) a Registration Statement filed pursuant to Rule 462(b) under the Securities Act (the ***"462(b) Registration Statement"*** and, together with the 1933 Act Registration Statement, the ***"Registration Statements"***), including any amendments thereto, relating to the registration of any Interests under the Securities Act and (c) a Registration Statement on Form 8-A (the ***"1934 Act Registration Statement"***), including any pre-effective or post-effective amendments thereto, relating to the registration of any Interests under Section 12(b) or (g) of the Securities Exchange Act of 1934, as amended, (ii) to prepare and file with the Nasdaq National Market and/or any other securities exchange and execute, in each case on behalf of the Company, a listing application and all other applications, statements, certificates,

agreements and other instruments as shall be necessary or desirable to cause any Interests to be listed on the Nasdaq National Market and/or any other securities exchange, (iii) to prepare and file and execute, in each case on behalf of the Company, such applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers and documents as shall be necessary or desirable to register any Interests under the securities or "blue sky" laws of such jurisdictions as any officer may deem necessary or desirable, (iv) to select underwriters or other placement agents relating to the public offering or any issuance of any Interests pursuant to the Registration Statements, (v) to negotiate the terms of, and execute on behalf of the Company, any underwriting agreements, purchase agreements or other agreements relating to the public offering or any issuance of any Interests pursuant to the Registration Statements, (vi) to engage any agents or other entities necessary to effect the public offering or issuance of any Interests pursuant to the Registration Statements, (vii) to execute and deliver, in each case on behalf of the Company, such certifications or reports required by the Sarbanes-Oxley Act of 2002 from time to time as may be necessary or proper to the conduct of the business of the Company, (viii) to issue any Interests on a private placement basis to any Person, (ix) to establish, create or otherwise sponsor a statutory trust (a ***"Trust"***) under Chapter 38 of Title 12 of the Delaware Code, 12 Del.C. Section 3801, et seq., (x) to empower the Trust with such rights, powers and privileges as any officer may deem necessary or advisable, including to empower the Trust to undertake or perform any action permitted by this paragraph (b) on behalf of the Trust, (xi) to pay any filing, application or other fees associated with any of the foregoing actions, including those to the Commission, the National Association of Securities Dealers, any securities exchange, any agents or any other Person, and (xii) to negotiate the terms of, and execute on behalf of the Company, such agreements, documents and certificates, and to do such other acts and things as any officer may deem to be necessary or advisable in order to (x) give effect to any of the foregoing actions, (y) in connection with the public offering or any future issuance of any Interests or (z) carry out the purpose and intent of the Company. For the avoidance of doubt, it is hereby acknowledged and agreed that in connection with any execution, filing or document referred to in clauses (i) — (xii) above, any officer singly is authorized on behalf of the Company to file and execute such document on behalf of the Trust.

5.15. Member Vote. Notwithstanding any other provision of this Article 5, the following actions shall require the written approval of the Member:

(a) the sale, exchange, or other disposition of substantially all of the property and other assets of the Company; or

(b) the merger or consolidation of the Company with any other entity.

5.16. Limitation of Liability. Notwithstanding any other provision to the contrary contained in this Agreement, no manager (as such term is defined in Section 18-402 of the Act) or member of the Board of Directors shall be liable, responsible, or accountable in damages or

otherwise to the Company or to the Member or assignee of the Member for any loss, damage, cost, liability, or expense incurred by reason of or caused by any act or omission performed or omitted by such manager or such member of the Board of Directors, whether alleged to be based upon or arising from errors in judgment, negligence, or breach of duty (including alleged breach of any duty of care or duty of loyalty or other fiduciary duty), except for (i) acts or omissions the manager or the member of the Board of Directors knew at the time of the acts or omissions were clearly in conflict with the interest of the Company, (ii) any transaction from which the manager or member of the Board of Directors derived an improper personal benefit vis-a-vis the Company or the Member, (iii) a willful breach of this Agreement or (iv) gross negligence, willful misconduct, or knowing violation of law. Without limiting the foregoing, to the fullest extent permitted by law, no manager or member of the Board of Directors shall in any event be liable for (A) the failure to take any action not specifically required to be taken by the manager or the Board of Directors under the terms of this Agreement, (B) any action or omission taken or suffered by any other manager or member of the Board of Directors nor (C) any mistake, misconduct, negligence, dishonesty or bad faith on the part of any agent of the Company appointed in good faith by the Board of Directors.

5.17. Indemnification. To the fullest extent permitted by applicable law, the Company shall indemnify the Member, each manager and member of the Board of Directors ("Indemnified Person") against any and all losses, claims, damages and liabilities incurred by the Indemnified Person by reason of any act or omission performed or omitted by the Indemnified Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on the Indemnified Person or by reason of being a member, manager or member of the Board of Directors, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, claim, damage or liability incurred by the Indemnified Person by reason of gross negligence or willful misconduct with respect to such acts or omissions. Any indemnification under this Section 5.17 shall be provided out of and to the extent of Company assets only.

ARTICLE VI

TRANSFER OF INTERESTS

6.1. Transfers. The Member shall have the power to transfer all or any part of its Interest upon 30 days notice to the Board of Directors, or such shorter period consented to by the Board of Directors.

6.2. Substituted Member. Any transferee of the Member's Interest pursuant to the terms of this Article 6 shall be admitted to the Company as a Member, such admission to be

effective immediately prior to such transfer, and such Member shall succeed to all rights and obligations of the transferor Member.

ARTICLE VII

DISSOLUTION, WINDING UP AND LIQUIDATING DISTRIBUTIONS

7.1. Dissolution Triggers. The Company shall dissolve only upon the first to occur of the following events:

(a) The Member votes for dissolution; or

(b) Any other event causing dissolution of a limited liability company under the Act.

7.2. Winding Up. Upon dissolution of the Company, the Board of Directors shall wind up the Company's affairs.

7.3. Liquidating Distributions. Following the dissolution of the Company, the assets of the Company shall first be applied to satisfy (whether by payment or reasonable provision for payment) claims of creditors, with any balance being distributed to the Member as provided in the Act.

ARTICLE VIII

BOOKS AND RECORDS

8.1. Books and Records. The Company shall keep books and records at its principal place of business. In all events, however, the Company shall keep books and records separate from those of its Member and shall at all times segregate and account for all of its assets and liabilities separately from those of its Member.

8.2. Bank Accounts. The Company may maintain one or more bank, securities, brokerage or other accounts for such funds or other assets of the Company as it shall choose to deposit therein, and withdrawals therefrom shall be made upon such signature or signatures as the Board of Directors shall determine.

ARTICLE IX

MISCELLANEOUS

9.1. Binding Effect. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Member and its successors, transferees, and assigns.

9.2. Entire Agreement; No Oral Operating Agreements. This Agreement constitutes the entire agreement with respect to the affairs of the Company and the conduct of its business, and supersedes all prior agreements and understandings, whether oral or written. The Company shall have no oral operating agreements.

9.3. Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

9.4. Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

9.5. Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

9.6. Governing Law. The law of the State of Delaware, without regard to its conflicts of law principles, shall govern this Agreement, including its validity, the construction and interpretation of its terms, and organization and internal affairs of the Company and the limited liability of its managers, directors, Member and other owners.

9.7. Amendments. This Agreement may be amended only by written instrument executed by the Member.

[Signature page follows]

IN WITNESS WHEREOF, the Member has executed this Agreement on the, effective as of the date and year first above written.

MEMBER:

COMPASS GROUP MANAGEMENT LLC.

By: /s/ I. JOSEPH MASSOUD
Name: I. Joseph Massoud
Title: Manager

SCHEDULE A

Member

Name	Mailing Address	Date of Capital Contribution	Agreed Value of Capital Contribution	Class A Interest
Compass Group Management, LLC	61 Wilton Road Westport, CT 06880	November 18, 2005	$100,000	100%
				Class B Interest
—	—	—	—	

EXHIBIT 3.5

AMENDED AND RESTATED TRUST AGREEMENT

OF

COMPASS DIVERSIFIED TRUST

AMONG

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

as Sponsor,

THE BANK OF NEW YORK (DELAWARE)

as Delaware Trustee,

AND

THE REGULAR TRUSTEES NAMED HEREIN

Dated as of April 25, 2006

TABLE OF CONTENTS

	Page
ARTICLE I DEFINED TERMS	1
Section 1.1 Definitions	1
ARTICLE II ESTABLISHMENT OF THE TRUST	8
Section 2.1 Name	8
Section 2.2 Office of the Delaware Trustee; Principal Place of Business	8
Section 2.3 Trust to Be Sole Owner of Sponsor Interests	8
Section 2.4 Authorized Shares	9
Section 2.5 Shareholders to be Bound	9
Section 2.6 Issuance of Additional Shares	9
Section 2.7 Repurchase of Outstanding Shares at Direction of the Sponsor	9
Section 2.8 Agreement of Trust	10
Section 2.9 Authorization to Enter into Certain Transactions	10
Section 2.10 Title to Trust Property	12
Section 2.11 Certain Covenants of the Sponsor	12
ARTICLE III DISTRIBUTIONS	12
Section 3.1 Distributions	12
Section 3.2 Payment Procedures	13
Section 3.3 Tax Returns and Reports	13
ARTICLE IV SHARE CERTIFICATES	13
Section 4.1 Share Certificates	13
Section 4.2 Share Register	14
Section 4.3 Transfer of Shares	14
Section 4.4 Mutilated, Lost, Destroyed or Stolen Share Certificates	14
Section 4.5 Rights of Shareholders	14
ARTICLE V MEETINGS; VOTING	15
Section 5.1 Annual Meetings of Shareholders	15
Section 5.2 Special Meetings of Shareholders	15
Section 5.3 Place of Meeting	15
Section 5.4 Notice of Meeting	15
Section 5.5 Quorum and Adjournment	17

	Page
Section 5.6 Voting	17
Section 5.7 Proxies	18
Section 5.8 Notice of Shareholder Business and Nominations	18
Section 5.9 Procedure for Election of Directors; Voting	21
Section 5.10 Inspectors of Elections; Opening and Closing the Polls	22
Section 5.11 Confidential Shareholder Voting	22
Section 5.12 Waiver of Notice	22
Section 5.13 Remote Communication	23
Section 5.14 Action by Written Consent	23
Section 5.15 Inspection of Records	23
ARTICLE VI RIGHT OF SHAREHOLDERS TO ENFORCE PROVISIONS OF SPONSOR AGREEMENTS AND BRING DERIVATIVE ACTION	24
Section 6.1 Right to Institute Legal Proceeding	24
Section 6.2 Ten Percent (10%) or More Shareholder	25
ARTICLE VII SHAREHOLDER VOTE REQUIRED IN CONNECTION WITH CERTAIN BUSINESS COMBINATIONS OR TRANSACTIONS	25
Section 7.1 Vote Generally Required	25
Section 7.2 Vote for Business Combinations	25
Section 7.3 Power of Continuing Directors	25
Section 7.4 No Effect on Fiduciary Obligations	26
ARTICLE VIII THE TRUSTEES	26
Section 8.1 Certain Duties and Responsibilities	26
Section 8.2 Not Responsible for Recitals or Issuance of Shares	28
Section 8.3 May Hold Shares	28
Section 8.4 Compensation; Indemnity; Fees	28
Section 8.5 Delaware Trustee Required; Eligibility of Trustees	29
Section 8.6 Resignation and Removal; Appointment of Successor	29
Section 8.7 Acceptance of Appointment by Successor	30
Section 8.8 Merger, Conversion, Consolidation or Succession to Business	30
Section 8.9 Number of Trustees	31
Section 8.10 Delegation of Power	31
Section 8.11 Resignation and Appointment of Regular Trustees	31
ARTICLE IX TERMINATION AND DISSOLUTION	32

	Page
Section 9.1 Termination or Dissolution	32
Section 9.2 Circumstances Under Which Shares Shall Be Voluntarily Exchanged for Sponsor Interests	32
Section 9.3 Circumstances Under Which Shares Shall Be Mandatorily Exchanged for Sponsor Interests	32
Section 9.4 Early Termination	33
Section 9.5 Termination of Obligations	33
ARTICLE X MISCELLANEOUS PROVISIONS	34
Section 10.1 Limitation of Rights of Shareholders	34
Section 10.2 Amendment	34
Section 10.3 Separability	35
Section 10.4 Specific Performance	35
Section 10.5 Governing Law	35
Section 10.6 Successors	36
Section 10.7 Headings	36
Section 10.8 Communications, Notices and Demands	36
Section 10.9 Counterpart Execution	37
EXHIBIT A — FORM OF SHARE CERTIFICATE	A-1

AMENDED AND RESTATED TRUST AGREEMENT (as amended, revised, supplemented or otherwise modified from time to time, this "***Agreement***"), dated as of April 25, 2006 is entered into by and among COMPASS GROUP DIVERSIFIED HOLDINGS LLC, a Delaware limited liability company (the "***Sponsor***"), THE BANK OF NEW YORK (DELAWARE), a Delaware banking corporation, as Delaware trustee (in such capacity, the "***Delaware Trustee***"), and MR. I. JOSEPH MASSOUD and MR. JAMES J. BOTTIGLIERI, as the initial regular trustees and MR. ALAN B. OFFENBERG, as replacement regular trustee for MR. I. JOSEPH MASSOUD (each a "***Regular Trustee***", together "***Regular Trustees***" and, collectively with the Delaware Trustee, the "***Trustees***"). The Sponsor and the Trustees hereby agree as follows:

WHEREAS, the Sponsor and the Trustees, heretofore duly declared and established Compass Diversified Trust (the "***Trust***"), a statutory trust under the Delaware Statutory Trust Act, by entering into a trust agreement, dated as of November 18, 2005 (the "***Original Agreement***"), and by executing and filing of a Certificate of Trust with the Secretary of State of the State of Delaware on November 18, 2005, for the purpose of owning the Sponsor Interests (as defined herein) and issuing Shares (as defined herein) of the Trust, in one or more series, each Share representing an undivided beneficial interest in the Trust Property;

WHEREAS, the Sponsor and the Trustees desire to amend and restate the Original Agreement in its entirety as set forth herein to provide for, among other things, the operation of the Trust, the issuance of the Shares and the holding of the Sponsor Interests;

WHEREAS, the Sponsor and the Trustees intend that the Trust function as a pass-through entity structured to give the Shareholders (as defined herein) similar rights and obligations, to the extent provided herein, as if they held Sponsor Interests (as defined herein) directly and the Sponsor and the Trustees further intend that this Agreement, including the grant of rights to the Sponsor, the Board of Directors (as defined herein) and certain other Persons, be interpreted consistent with such intention;

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, each party, for the benefit of the other party, hereby amends and restates the Original Agreement in its entirety and agrees as follows:

ARTICLE I

DEFINED TERMS

Section 1.1 Definitions

For all purposes of this Agreement (as defined herein), except as otherwise expressly provided or unless the context otherwise requires:

(i) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(ii) unless the context otherwise requires, any reference to an "Article," "Section" or an "Exhibit" refers to an Article, Section or an Exhibit, as the case may be, of this Agreement; and

(iii) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

"***1933 Act Registration Statement***" has the meaning set forth in Section 2.9 hereof.

"***1934 Act Registration Statement***" has the meaning set forth in Section 2.9 hereof.

"***1940 Act***" means the Investment Company Act of 1940, as amended.

"***462(b) Registration Statement***" has the meaning set forth in Section 2.9 hereof.

"***Acquirer***" has the meaning set forth in Section 9.3 hereof.

"***Acquisition Exchange***" has the meaning set forth in Section 9.3 hereof.

"***Affiliate***" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any officer, director, general member, member or trustee of such Person. For purposes of this definition, the terms "***controlling***," "***controlled by***" or "***under common control with***" shall mean, with respect to any Persons, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least fifty percent (50%) of the directors, managers, general members or Persons exercising similar authority with respect to such Person.

"***Agreement***" has the meaning set forth in the preamble of this Agreement.

"***Allocation Interests***" has the meaning set forth in the Sponsor Agreement.

"***Associate***" has the meaning ascribed to such term in Rule 12b-2 of the Rules and Regulations promulgated under the Exchange Act.

"***Beneficial Owner***" has the meaning ascribed to such term in Rule 13d-3 of the Rules and Regulations promulgated under the Exchange Act.

"***Board of Directors***" means the Board of Directors of the Sponsor or any committee thereof that has been duly authorized by the Board of Directors to make a decision on the matter in question or bind the Sponsor as to the matter in question.

“***Business Combination***” means:

(i) any merger or consolidation of the Trust with (A) an Interested Shareholder, or (B) any other Person (whether or not itself an Interested Shareholder) that is, or after such merger or consolidation would be, an Affiliate or Associate of an Interested Shareholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with, or proposed by or on behalf of, an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder of any property or assets of the Trust having an aggregate Fair Market Value as of the date of consummation of the transaction giving rise to the Business Combination of not less than ten percent (10%) of the Net Investment Value as of such date;

(iii) the issuance or transfer by the Trust, the Sponsor or any Subsidiary thereof (in one transaction or a series of transactions) of any securities of the Trust to, or proposed by or on behalf of, an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value as of the date of consummation of the transaction giving rise to the Business Combination of not less than ten percent (10%) of the Net Investment Value as of such date; or

(iv) any spin-off or split-up of any kind of the Trust thereof proposed by or on behalf of an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder; or

(v) any reclassification of the Shares (including any reverse split of Shares) or recapitalization of the Trust or any merger or consolidation of the Trust with the Sponsor or any Subsidiary thereof, or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder), that has the effect, directly or indirectly, of increasing the proportionate share of Outstanding Shares which is beneficially owned by an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder; or

(v) any agreement, contract or other arrangement providing for any one or more of the actions specified in clauses (i) through (iv) above.

“***Business Day***” means any day other than a Saturday, a Sunday or a day on which banks in The City of New York are required, permitted or authorized, by applicable law or executive order, to be closed for regular banking business.

“***Chairman***” has the meaning set forth in the Sponsor Agreement.

“***Commission***” means the U.S. Securities and Exchange Commission.

“***Continuing Director***” means (i) any director of the Sponsor who (A) is neither the Interested Shareholder involved in the Business Combination as to which a determination of Continuing Directors is provided hereunder, nor an Affiliate, Associate, employee, agent or nominee of such Interested Shareholder, or a relative of any of the

foregoing, and (B) was a director of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, or (ii) any successor of a Continuing Director described in clause (i) above who is recommended or elected to succeed a Continuing Director by the affirmative vote of a majority of Continuing Directors then on the Board of Directors.

“***Delaware Statutory Trust Act***” means chapter 38 of title 12 of the Delaware Code, 12 Del. C. Section 3801 et seq., as it may be amended from time to time.

“***Delaware Trustee***” means the Person identified as the “Delaware Trustee” in the preamble to this Agreement solely in its capacity as Delaware Trustee of the Trust and not in its individual capacity, or its successor in interest in such capacity, or any successor Delaware Trustee appointed as herein provided.

“***Depositary Agreement***” has the meaning set forth in Section 2.9 hereof.

“***Distributions***” means amounts payable in respect of the Shares as provided in Section 3.1 hereof.

“***Early Termination Event***” has the meaning set forth in Section 9.4 hereof.

“***Exchange Act***” means the Securities Exchange Act of 1934, as amended.

“***Fair Market Value***” means, as of any date:

(i) in the case of Shares, the average of the closing sale prices for such Shares during the ten (10) Business Days immediately preceding such date:

(A) as reported for composite transactions by the Nasdaq National Market;

(B) if such Shares are not so reported by the Nasdaq National Market, the price of Shares as reported, quoted or listed on any other principal U.S. national or regional securities exchange;

(C) if such equity securities are not so reported, quoted or listed, the last quoted bid price for Shares in the over-the-counter market as reported by the National Quotation Bureau or a similar organization; or

(ii) if Shares are not so reported, quoted or listed, or in the case of any other Property, the fair market value of such Shares or such Property on the date in question as determined by a majority of the Board of Directors in good faith; *provided*, that if the Manager shall dispute any such determination of fair market value by the Board of Directors, fair market value shall be determined by the investment banking or professional valuation firm selected by the Board of Directors from among no fewer than three qualified candidates provided by the Manager.

"***Fiscal Quarter***" means the Sponsor's fiscal quarter for purposes of its reporting obligations under the Exchange Act.

"***Future Investments***" means contractual commitments to invest represented by definitive agreements.

"***Indemnified Persons***" has the meaning set forth in Section 8.4 hereof.

"***Initial Board***" has the meaning set forth in the Sponsor Agreement.

"***Interested Shareholder***" means, as of any date, any Person (other than the Manager and its Affiliates, the Trust, the Sponsor or any Subsidiary of the Sponsor, any employee benefit plan maintained by the Sponsor or any Subsidiary thereof or any trustee or fiduciary with respect to any such plan when acting in such capacity) that:

(i) is, or was at any time within the three-year period immediately prior to such date, the Beneficial Owner of fifteen percent (15%) or more of the then Outstanding Shares and who did not become the Beneficial Owner of such amount of Shares pursuant to a transaction that was approved by the affirmative vote of a majority of the Board of Directors; or

(ii) is an assignee of, or has otherwise succeeded to, any Outstanding Shares of which an Interested Shareholder was the Beneficial Owner at any time within the three-year period immediately prior to such date, if such assignment or succession occurred in the course of a transaction, or series of transactions, not involving a public offering within the meaning of the Securities Act.

For the purpose of determining whether a Person is an Interested Shareholder, the Shares that may be issuable or exchangeable by the Trust to the Interested Shareholder pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, warrants or options, or otherwise, shall be included, but not any other Shares that may be issuable or exchangeable by the Trust pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, warrants or options, or otherwise, to any Person who is not the Interested Shareholder.

"***Managed Subsidiary***" has the meaning set forth in the Management Services Agreement.

"***Management Services Agreement***" means the Management Services Agreement, entered into by and among the Manager, the Sponsor and other parties thereto, dated as of the date hereof, as amended or otherwise modified from time to time.

"***Manager***" means Compass Diversified Management LLC, and any successor thereto, in its capacity as manager under the Management Services Agreement or in its capacity as holder of the Allocation Interests in the Sponsor, as the case may be.

"***Market Value*** " means, as of any date, the *product* of (i) the average number of Outstanding Shares, other than treasury Shares, during the last fifteen (15) Business Days

of the most recently completed Fiscal Quarter as of such date, *multiplied by* (ii) the volume weighted average trading price per Share, as determined by reference to the relevant securities exchange identified in clause (i) of the definition of Fair Market Value, over such fifteen (15) Business Days.

"***Nasdaq National Market***" means the Nasdaq National Market or any successor thereto.

"***Net Investment Value***" means, as of any date, the *sum of*:

(i) the Market Value as of such date; *plus*

(ii) the amount of any borrowings (other than intercompany borrowings) of the Sponsor and its Managed Subsidiaries (but not including borrowings on behalf of any Subsidiary of the Managed Subsidiaries) as of such date; *plus*

(iii) the value of Future Investments of the Sponsor and/or any of its Subsidiaries other than cash or cash equivalents, as calculated by the Manager and approved by a majority of the Continuing Directors, as of such date; *provided*, that such Future Investments have not been outstanding for more than two consecutive full Fiscal Quarters as of such date; *less*

(iv) the aggregate amount held by the Sponsor and its Managed Subsidiaries in cash or cash equivalents (but not including cash or cash equivalents held specifically for the benefit of any Subsidiary of a Managed Subsidiary) as of such date.

"***Original Agreement***" has the meaning set forth in the recitals to this Agreement.

"***Outstanding Shares***" means, as of any date, all Shares theretofore executed and delivered, including in electronic form, under this Agreement, except:

(i) Shares theretofore canceled or delivered for cancellation; and

(ii) Shares in exchange for or in lieu of which other Shares have been executed and delivered pursuant to Section 4.5.

"***Person***" means any individual, partnership (whether general or limited), limited liability company, corporation, trust, estate, association, nominee or other entity as well as any syndicate or group deemed to be a person under Section 14(d)(2) of the Exchange Act.

"***Property***" means all real and personal property acquired by the Trust, including cash, and any improvements thereto, and shall include both tangible and intangible property.

"***Registration Statements***" has the meaning set forth in Section 2.9 hereof.

“***Regular Trustee***” means the Persons identified as the “Regular Trustee” in the preamble to this Agreement, each solely in his own capacity as Regular Trustee of the Trust and not in his own individual capacity, or such Regular Trustee’s successor in interest in such capacity, or any successor in interest in such capacity, or any successor Regular Trustee appointed as herein provided.

“***Relevant Trustee***” has the meaning set forth in Section 8.6 hereof.

“***Rules and Regulations***” means the rules and regulations promulgated under the Exchange Act or the Securities Act.

“***Secretary***” has the meaning set forth in the Sponsor Agreement.

“***Securities Act***” means the Securities Act of 1933, as amended.

“***Share***” means the shares of the Trust, each representing one undivided beneficial interest issued by the Trust corresponding to one underlying Sponsor Interest held by the Trust.

“***Share Certificate***” means a certificate evidencing ownership of Shares, substantially in the form attached hereto as Exhibit A.

“***Share Register***” has the meaning set forth in Section 4.2.

“***Shareholder***” means a Person in whose name a Share Certificate representing a Share is registered or a Person in whose name a book-entry position is maintained, such Person being a beneficial owner of such Share within the meaning of the Delaware Statutory Trust Act.

“***Sponsor***” has the meaning set forth in the preamble to this Agreement.

“***Sponsor Agreement***” means the Amended and Restated Operating Agreement of the Sponsor, as amended, revised, supplemented or otherwise modified from time to time, dated as of the date hereof, entered into by and between the Trust and the Manager.

“***Sponsor Interest***” means the Trust Interests.

“***Subsidiary***” means, with respect to any Person, any corporation, company, joint venture, limited liability company, association or other Person in which such Person owns, directly or indirectly, more than fifty percent (50%) of the outstanding equity securities or interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such Person.

“***Transfer Agent***” means, with respect to the Shares and the Sponsor Interests, The Bank of New York, Inc. or any successor(s) thereto.

“***Trust***” has the meaning set forth in the recitals hereof and which is continued hereby and identified on the cover page of this Agreement.

“***Trust Interest***” has the meaning set forth in the Sponsor Agreement.

“***Trust Property***” means the Sponsor Interests owned by the Trust including any distribution thereon, or any other property or assets relating thereto.

“***Trust’s Notice***” has the meaning set forth in Section 5.4 hereof.

“***Trustees***” has the meaning set forth in the preamble to this Agreement.

“***Voluntary Exchange***” has the meaning set forth in section 9.2 hereof.

ARTICLE II

ESTABLISHMENT OF THE TRUST

Section 2.1 Name

(a) The name of the Trust shall continue to be Compass Diversified Trust and all business of the Trust shall be conducted in such name. The Sponsor, acting through the Board of Directors, may change the name of the Trust upon ten (10) Business Days’ written notice to the Shareholders and the Trustees, which name change shall be effective upon the filing by the Regular Trustees of a certificate of amendment or a restated certificate pursuant to Section 3810 of the Delaware Statutory Trust Act.

(b) The Regular Trustees shall take all action and do all things necessary to give effect to the requirements of Section 9.5 of the Management Services Agreement.

Section 2.2 Office of the Delaware Trustee; Principal Place of Business

The address of the Delaware Trustee in the State of Delaware is 502 White Clay Center, Route 273 P.O. Box 6973, Newark, Delaware 19711, or such other address in the State of Delaware as the Delaware Trustee may designate by written notice to the Shareholders and the Sponsor. The principal executive offices of the Trust are Sixty One Wilton Road, Second Floor, Westport, Connecticut 06880. The Sponsor, acting through the Board of Directors, may change the principal executive offices of the Trust to any other place within or without the State of Delaware upon written notice to the Trustees.

Section 2.3 Trust to Be Sole Owner of Sponsor Interests

(a) The Sponsor shall issue Sponsor Interests to the Trust and simultaneously therewith the Trust shall issue Shares in accordance with the requirements of Section 2.3(b). Subject to Sections 9.2 and 9.3, it is intended that the Trust shall be the sole holder and owner of one hundred percent (100%) of the Sponsor Interests, and the Sponsor shall not issue, sell, or otherwise transfer any of its Sponsor Interests to any Person other than the Trust. Subject to Sections 9.2 and 9.3, the Trust shall not sell, lease, exchange, mortgage, pledge or otherwise transfer any of its Sponsor Interests to any other Person.

(b) At all times, the Trust shall have outstanding the identical number of Shares as the number of Sponsor Interests that have been issued and are outstanding. At all times, the Trust shall be the sole owner of the Trust Property and shall only own the Trust Property.

Section 2.4 Authorized Shares

The Trust shall be authorized to issue one class of Shares (in one or more series) in an aggregate amount of up to five hundred million (500,000,000) of such Shares; any Shares of more than one such series shall constitute one and the same class of security. The Trust is prohibited from issuing any other class of equity securities, any debt securities or any derivative securities. The aggregate number of Shares that are authorized may be increased from time to time by an amendment of this Agreement upon the adoption of a resolution by the affirmative vote of at least a majority of the Board of Directors declaring such amendment to be advisable and the approval of such amendment by the affirmative vote of the holders of a majority of the then Outstanding Shares present in person or represented by proxy at a meeting of the Shareholders.

Section 2.5 Shareholders to be Bound

Every Shareholder, by holding and receiving a Share, agrees with the Trust to be bound by the terms of this Agreement.

Section 2.6 Issuance of Additional Shares

The Sponsor shall have authority to authorize the issuance, from time to time, of authorized but unissued Shares and cause the Trust to issue such additional Shares in exchange for and upon receipt of an equal number of Sponsor Interests. Upon the issuance of such additional Shares, one of the Regular Trustees shall execute in accordance with Section 4.2 one or more Share Certificates in certificated, fully registered form and shall deliver such Share Certificates to the Transfer Agent. The Trust may issue the Shares, in one or more series, in any manner, subject to applicable law, that the Sponsor, acting through its Board of Directors, in its sole discretion, deems appropriate and advisable.

Section 2.7 Repurchase of Outstanding Shares at Direction of the Sponsor

(a) From time to time and at the direction of the Sponsor, acting through the Board of Directors, the Trust shall conduct a capital reduction, including the repurchase of any number of Outstanding Shares, on similar terms to the capital reduction simultaneously conducted by the Sponsor with respect to the Sponsor Interests and shall ensure that an identical number of Sponsor Interests and Shares are issued and outstanding at any one time.

(b) Any Shares tendered and repurchased by the Trust in accordance with this Section 2.7 shall not be deemed canceled pursuant to Section 3818 of the Delaware Statutory Trust Act but instead, shall be deemed to be authorized and issued, but not outstanding, and may subsequently be sold or transferred for due consideration.

Section 2.8 Agreement of Trust

The purposes of the Trust are to (i) issue Shares of beneficial interest in Trust Property, each Share corresponding to one Sponsor Interest held by the Trust, (ii) own the Sponsor Interests and (iii) engage in such other activities as are necessary, convenient or incidental hereto. Each Shareholder registered on the books of the Trust shall be a "beneficial owner" within the meaning of the Delaware Statutory Trust Act. It is intended that the Trust shall qualify as a grantor trust for U.S. federal income tax purposes; consistent with such treatment, the Trustees shall have no power under this Agreement to vary the investment of the Trust. Subject to Article IX, the Trustees are not authorized to sell, exchange, convey, pledge, encumber, or otherwise transfer, assign or dispose of the Sponsor Interests held by the Trust nor invest or reinvest the assets of the Trust. There shall be no implied duties or obligations of the Trustees hereunder. Any action by the Trustees in accordance with their respective powers shall constitute the act of and serve to bind the Trust. The Delaware Trustee shall not be entitled to exercise any powers, nor shall the Delaware Trustee have any of the duties and responsibilities of the Sponsor, Manager, the Board of Directors or the Regular Trustees set forth herein. The Delaware Trustee shall be one of the Trustees of the Trust for the sole and limited purpose of fulfilling the requirements of Section 3807 of the Delaware Statutory Trust Act and for taking such actions as are required to be taken by a Delaware trustee under the Delaware Statutory Trust Act. The duties (including fiduciary duties), liabilities and obligations of the Delaware Trustee shall be limited to (a) accepting legal process served on the Trust in the State of Delaware and (b) the execution of any certificates required to be filed with the Secretary of State of the State of Delaware that the Delaware Trustee is required to execute under Section 3811 of the Delaware Statutory Trust Act and there shall be no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity, of the Delaware Trustee. Notwithstanding anything herein to the contrary, the Delaware Trustee shall not be liable for the acts or omissions of the Trust, the Sponsor, the Regular Trustees, the Manager or the Board of Directors.

Section 2.9 Authorization to Enter into Certain Transactions

(a) The Sponsor is hereby authorized and directed, as an agent on behalf of the Trust, to engage in the following activities:

(i) to prepare and file with the Commission and execute, in each case on behalf of the Trust, (a) any registration statement from time to time on Form S-1 or any applicable form at such time, as applicable (a "***1933 Act Registration Statement***"), including any pre-effective or post-effective amendments thereto, including any preliminary prospectus, prospectus, prospectus supplement, free writing prospectus or pricing supplement relating thereto, relating to the registration of any Shares under the Securities Act, (b) any registration statement filed, from time to time, pursuant to Rule 462(b) under the Securities Act (the "***462(b) Registration Statement***" and, together with the 1933 Act Registration Statement, the "***Registration Statements***"), including any amendments thereto, relating to the registration of any Shares under the Securities Act and (c) as applicable, a registration statement on Form 8-A (a "***1934 Act Registration***

Statement”), including any pre-effective or post-effective amendments thereto, relating to the registration of any Shares under Section 12(b) or (g) of the Exchange Act;

(ii) to prepare and file with the Nasdaq National Market and/or any other securities exchange and execute, in each case on behalf of the Trust, a listing application and all other applications, statements, certificates, agreements and other instruments as shall be necessary or desirable to cause the Shares to be listed or quoted on the Nasdaq National Market and/or any other securities exchange;

(iii) to prepare and file and execute, in each case on behalf of the Trust, such applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers, applications, filings and other documents as shall be necessary or desirable to register the Shares under the securities or “blue sky” laws of such jurisdictions as the Sponsor, on behalf of the Trust, may deem necessary or desirable;

(iv) to select underwriters or other purchasing or placement agents relating to the public offering or any issuance of any Shares pursuant to any Registration Statements;

(v) to negotiate the terms and conditions of, and execute on behalf of the Trust, any underwriting agreements or other purchase or placement agreements or other agreements relating to the public or private offering of any Shares in exchange for Sponsor Interests, including, without limitation, agreements relating to the registration of such Shares;

(vi) to execute and deliver, in each case on behalf of the Trust, such certifications or reports required by the Sarbanes-Oxley Act of 2002 from time to time as may be necessary or proper to the conduct of the business of the Trust;

(vii) to pay any filing, application or other fees associated with any of the foregoing actions, including those to the Commission, the National Association of Securities Dealers, any securities exchange, any agents or any other Person;

(viii) to select a transfer agent, including the Transfer Agent, and negotiate the terms and conditions of, and execute on behalf of the Trust, a transfer agent agreement; and

(ix) to select a custodian as holder of any Trust Property and negotiate the terms and conditions of, and execute on behalf of the Trust, a custodian agreement;

(x) to negotiate the terms and conditions of, and execute on behalf of the Trust, a depositary share agreement with a nationally recognized bank with combined capital and surplus of $50 million or more for the purpose of

establishing a depositary share program for the Shares of the Trust (the "***Depositary Agreement***") and to engage such nationally recognized bank as agent with respect thereto;

(xi) to negotiate the terms and conditions of, and execute on behalf of the Trust, such agreements, documents and certificates, and to do such other acts and things as the Sponsor may deem to be necessary or advisable in order to (w) give effect to any of the foregoing, (x) in connection with the public offering or any future issuance of the Shares, (y) carry out the purpose and intent of the Trust or (z) to comply or give effect to any terms or provisions of this Agreement.

(b) It is hereby acknowledged and agreed that in connection with any execution, filing or document referred to in clauses (i) — (ix) above, (A) any Regular Trustee or the Sponsor singly be, and hereby is, authorized on behalf of the Trust to file and execute such document on behalf of the Trust and (B) the Delaware Trustee shall not be required or be deemed necessary to join in any such filing or action or execute on behalf of the Trust any such document or to take any such action.

Section 2.10 Title to Trust Property

Legal title to all Trust Property shall be vested at all times in the Trust and shall be held and administered by the Regular Trustees for the benefit of the Trust and the Shareholders in accordance with this Agreement. No Shareholder shall have legal title to any part of the Trust Property, but shall have an undivided beneficial interest in the Trust Property.

Section 2.11 Certain Covenants of the Sponsor

The Sponsor shall use its best efforts, consistent with the terms and provisions of this Agreement, to cause the Trust to remain classified as a "grantor trust" for U.S. federal income tax purposes.

ARTICLE III

DISTRIBUTIONS

Section 3.1 Distributions

The Regular Trustees shall pay Distributions, or cause the payment of Distributions, to the Shareholders of all distributions received by the Trust with respect to the Sponsor Interests from the Sponsor within five (5) Business Days of receipt thereof. Such Distributions shall be paid to Shareholders appearing on the Share Register for the Outstanding Shares who are Shareholders as of the record date established by the Sponsor for the payment of distributions on the Sponsor Interests. Any such Distributions shall be allocated to Shareholders in the same proportions as any such distributions were made per Sponsor Interest by the Sponsor.

Section 3.2 Payment Procedures

Payments of Distributions in respect of the Shares shall be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear on the Share Register, or (ii) wire transfer of immediately available funds to an account maintained by the Person entitled thereto as specified in the Share Register.

Section 3.3 Tax Returns and Reports

The Regular Trustees shall prepare (or cause to be prepared), at the Trust's expense, and file or provide (or cause to be filed or provided) all U.S. federal, state and local tax and information returns and reports required to be filed or provided to Shareholders by or in respect of the Trust. In this regard, the Regular Trustees shall (a) prepare and file (or cause to be prepared or filed) Form 1041 or the appropriate Internal Revenue Service form required to be filed in respect of the Trust in each taxable year of the Trust and (b) prepare and furnish (or cause to be prepared and furnished) a tax information statement or such other form or statement, if any, required to be furnished in respect of the Trust in each taxable year of the Trust. The Regular Trustees shall comply in all material respects with U.S. federal, state and local withholding and backup withholding tax laws and information reporting requirements with respect to any payments to Shareholders upon the Shares. To the extent that the Trust is required to withhold and pay over any amounts to any authority with respect to Distributions or allocations to any Shareholder, the amount withheld shall be deemed to be a distribution in the amount of the withholding to the Shareholder. In the event of any claimed over-withholding, Shareholders shall be limited to an action against the applicable taxing jurisdiction.

ARTICLE IV

SHARE CERTIFICATES

Section 4.1 Share Certificates

The Shares shall be issued in electronic book-entry form or shall be otherwise evidenced by the Share Certificates that are issued substantially in the form of Exhibit A hereto. Each Share Certificate shall bear a serial number, shall exhibit the Shareholder's name and the number of Shares evidenced thereby and shall be executed on behalf of the Trust by manual or facsimile signature of one of the Regular Trustees. Share Certificates bearing the manual or facsimile signatures of individuals who were, at the time when such signatures shall have been affixed, authorized to sign on behalf of the Trust, shall be validly issued and entitled to the benefit of this Agreement, notwithstanding that such individuals or any of them shall have ceased to be so authorized prior to the delivery of such Share Certificates or did not hold such offices at the date of delivery of such Share Certificates. A transferee of a Share Certificate shall become a Shareholder, and shall be entitled to the rights and subject to the obligations of a Shareholder hereunder, upon due registration of such Share Certificate in such transferee's name pursuant to Section 4.4.

Section 4.2 Share Register

The Sponsor shall retain the Transfer Agent to keep a register or registers (herein referred to as the "***Share Register***") in which shall be recorded the name and address of each Person owning the Outstanding Shares as maintained by the Transfer Agent electronically with respect to any Shares issued in book-entry form or as otherwise evidenced by each Share Certificate evidencing Shares issued by the Trust, the number of Shares evidenced by each such Share Certificate, the date of issuance thereof and, in the case of cancellation, the date of cancellation. Except as otherwise expressly required by law, the Person or entity in whose name Shares stand on the Share Register of the Trust shall be deemed the Beneficial Owner and Shareholder of record thereof for all purposes.

Section 4.3 Transfer of Shares

Registration of transfers of Shares shall be made only in the Share Register of the Trust upon request of the registered Shareholder of such Shares, or of his attorney thereunto authorized by power of attorney duly executed and filed with the Transfer Agent, and upon the surrender of the Share Certificate or Share Certificates or the corresponding book-entry position evidencing such Shares properly endorsed or accompanied by a stock power duly executed, together with such proof of authenticity of signatures as the Transfer Agent may reasonably require, or as properly presented for transfer by a depositary or clearing agent with respect to any book-entry position of Shares. All Share Certificates surrendered for transfer shall be canceled before new Share Certificates for the transferred Shares shall be issued. Upon surrender for registration of transfer, and cancellation, of any Share Certificate, one of the Regular Trustees shall execute in the name of the designated transferee or transferees, one or more new Share Certificates.

Section 4.4 Mutilated, Lost, Destroyed or Stolen Share Certificates

Each Shareholder of record of Shares shall promptly notify the Trust of any mutilation, loss or destruction of any Share Certificate of which such Shareholder is the recordholder. The Sponsor may, in its discretion, cause the Transfer Agent to issue a new Share Certificate in place of any Share Certificate theretofore issued by it and alleged to have been mutilated, lost, stolen or destroyed, upon surrender of the mutilated Share Certificate or, in the case of loss, theft or destruction of the Share Certificate, upon satisfactory proof of such loss, theft or destruction, and the Sponsor may, in its discretion, require the Shareholder of record of the Shares evidenced by the lost, stolen or destroyed Share Certificate, or his legal representative, to give the Transfer Agent a bond sufficient to indemnify the Transfer Agent against any claim made against it on account of the alleged loss, theft or destruction of any such Share Certificate or the issuance of such new Share Certificate.

Section 4.5 Rights of Shareholders

The legal title to the Trust Property is vested exclusively in the Trust in accordance with Section 2.10, and the Shareholders shall not have any right or title

therein other than the undivided beneficial interest in the Trust Property conferred by their Shares and they shall have no right to call for any partition or division of Property, profits or rights of the Trust except as described below. The Shares shall be personal property giving only the rights specifically set forth therein and in this Agreement. The Shares shall have no preemptive or similar rights and, when issued and delivered to Shareholders against payment of the purchase price therefor and otherwise in accordance with this Agreement, shall be deemed validly issued, fully paid and nonassessable undivided beneficial interests in Trust Property. Shareholders, in their capacities as such, shall be entitled to the benefits provided in this Agreement and to the same limitation of personal liability extended to shareholders of private corporations for profit organized under the General Corporation Law of the State of Delaware.

ARTICLE V

MEETINGS; VOTING

Section 5.1 Annual Meetings of Shareholders

The annual meeting of Shareholders to direct the voting of the Trust, as a member of the Sponsor, shall be called by the Sponsor, pursuant to the Sponsor Agreement, and held at such date, at such time and at such place (if any) within or without the State of Delaware as may be designated by resolution adopted by a majority of the Board of Directors. Any other business may be transacted at the annual meeting; *provided*, that it is properly brought before the meeting.

Section 5.2 Special Meetings of Shareholders

Special meetings of Shareholders shall be held on such date, at such time and at such place (if any) within or without the State of Delaware as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting. Special meetings of Shareholders may be called at any time only by the Chairman of the Board of Directors or by the Board of Directors pursuant to a resolution adopted by a majority of the Board of Directors. Business transacted at any special meeting of Shareholders shall be limited to the purpose stated in the notice relating thereto.

Section 5.3 Place of Meeting

The Board of Directors may designate the place (if any) of meeting for any meeting of Shareholders. If no designation is made by the Board of Directors, the place of meeting shall be the principal executive office of the Sponsor. In lieu of holding any meeting of Shareholders at a designated place, the Board of Directors may, in its sole discretion, determine that any meeting of Shareholders may be held solely by means of remote communication.

Section 5.4 Notice of Meeting

(a) A notice of meeting, stating the place (if any), day and hour of the meeting, and the means of remote communication, if any, by which Shareholders and

proxy holders may be deemed to be present in person and vote at such meeting (the "***Trust's Notice***"), shall be prepared and delivered by the Sponsor not less than twenty (20) days and not more than sixty (60) days before the date of the meeting, either personally, by mail or, to the extent and in the manner permitted by applicable law, electronically, to each Shareholder of record. In the case of special meetings, the notice shall state the purpose or purposes for which such special meeting is called. Such further notice shall be given as may be required by applicable law. Any previously scheduled meeting of the Shareholders may be postponed, and (unless this Agreement otherwise provides) any special meeting of the Shareholders may be canceled, by resolution of the Board of Directors upon public notice given prior to the time previously scheduled for such meeting of Shareholders.

(b) The Trust's Notice to Shareholders shall be given personally, by mail or, to the extent and in the manner permitted by applicable law, electronically to each Shareholder of record. If mailed, such notice shall be delivered by postage prepaid envelope directed to each holder at such Shareholder's address as it appears in the records of the Trust and shall be deemed given when deposited in the United States mail.

Any Trust's Notice to Shareholders given by the Trust pursuant to this Section 5.4 shall be effective if given by a form of electronic transmission consented to by the Shareholder to whom the notice is given. Any such consent shall be revocable by the Shareholder by written notice to the Trust and shall also be deemed revoked if (1) the Trust is unable to deliver by electronic transmission two consecutive notices given by the Trust in accordance with such consent, and (2) such inability becomes known to the Secretary of the Sponsor, the Transfer Agent or other person responsible for the giving of notice; *provided*, that, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Notice given by electronic transmission pursuant to this subsection shall be deemed given: (1) if by facsimile telecommunication, when directed to a facsimile telecommunication number at which the Shareholder has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the Shareholder has consented to receive notice; (3) if by posting on an electronic network together with separate notice to the Shareholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the Shareholder. An affidavit of the Secretary or an assistant Secretary or of the Transfer Agent or other agent of the Sponsor that the notice has been given by personal delivery, mail or a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

(c) In order that the Trust may determine the Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty (60) or fewer than twenty (20) days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining Shareholders entitled to notice of or to vote at any meeting of

Shareholders or any adjournment thereof shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

Section 5.5 Quorum and Adjournment

Except as otherwise provided by applicable law or by this Agreement, the Shareholders present in person or by proxy holding a majority of the then Outstanding Shares entitled to vote, shall constitute a quorum at a meeting of Shareholders. The Chairman or the holders of a majority of the then Outstanding Shares entitled to vote so represented may adjourn the meeting from time to time, whether or not there is such a quorum. The Shareholders present at a duly organized meeting at which a quorum is present in person or by proxy may continue to transact business until adjournment, notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.

When a meeting is adjourned to another time and place, if any, unless otherwise provided by this Agreement, notice need not be given of the reconvened meeting if the date, time and place, if any, thereof and the means of remote communication, if any, by which Shareholders and proxyholders may be deemed to be present in person and vote at such reconvened meeting are announced at the meeting at which the adjournment is taken. If the time, date and place of the reconvened meeting are not announced at the meeting at which the adjournment is taken, then the Secretary of the Sponsor shall give written notice of the time, date and place of the reconvened meeting not less than twenty (20) days prior to the date of the reconvened meeting.

At the reconvened meeting, the Shareholders may transact any business that might have been transacted at the original meeting. A determination of Shareholders of record entitled to notice of or to vote at a meeting of Shareholders shall apply to any adjournment of such meeting; *provided*, *however*, that the Board of Directors may fix a new record date for the reconvened meeting. If an adjournment is for more than thirty (30) days or if, after an adjournment, a new record date is fixed for the reconvened meeting, a notice of the reconvened meeting shall be given to each Shareholder entitled to vote at the meeting.

Section 5.6 Voting

(a) Subject to the provisions of this Section 5.6 and Section 5.7, the Shareholders shall have the exclusive and absolute right to direct the Regular Trustees with respect to the voting of the Trust on all matters that it, as holder of the Sponsor Interests, is entitled to vote upon under the terms of the Sponsor Agreement or applicable law and the Regular Trustees shall cause the Trust to vote its Sponsor Interests as so directed by the Shareholders.

(b) When the Trust is required or permitted to vote with respect to the Sponsor Interests, the Sponsor shall prepare and deliver to the Regular Trustees the form of proxy materials to enable the Regular Trustees to solicit from the Shareholders the manner in which the Shareholders desire the Regular Trustees to vote their Shares.

Shareholders shall be entitled to one vote for each Share in respect of any matter as to which the Trust as a member of the Sponsor is entitled to vote as provided in the Sponsor Agreement.

(c) All Shares shall, to the extent practicable under the circumstances, be voted in the same proportion as the Shares are directed to be voted by the Shareholders, including for purposes of determining a quorum, in favor of, in opposition to or abstaining from the matter voted upon. If such calculation of votes would require a fractional vote, the Regular Trustees shall vote the next lower number of whole Shares.

Section 5.7 Proxies

At all meetings of Shareholders, a Shareholder may vote by proxy as may be permitted by applicable law; *provided*, that, no proxy shall be voted after three (3) years from its date, unless the proxy provides for a longer period in accordance with this Agreement. Any proxy to be used at a meeting of Shareholders must be filed with the Secretary of the Sponsor or his or her representative at or before the time of the meeting. A Shareholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or a new proxy bearing a later date.

Section 5.8 Notice of Shareholder Business and Nominations

(a) Annual Meetings of Shareholders

(i) Except in the case of the Initial Board, nominations of individuals for election by the Trust to the Board of Directors, other than the Manager's appointed directors for so long as the Manager is entitled to appoint directors to the Board of Directors pursuant to the terms of the Sponsor Agreement, and the proposal of business to be considered by Shareholders, may be made at an annual meeting of Shareholders (A) pursuant to the Trust's Notice of meeting delivered pursuant to Section 5.4 hereof, (B) by or at the direction of the Board of Directors or (C) by any Shareholder who is entitled to vote at the meeting, who complies with the notice procedures set forth in clauses (ii) and (iii) of this Section 5.8(a).

In addition to any other applicable requirements, for a nomination for election of a director of the Sponsor to be made by a Shareholder (other than the Manager's appointed directors) or for business to be properly brought before an annual meeting by a Shareholder, such Shareholder must (A) be a Shareholder of record on both (1) the date of the delivery of such nomination or the date of the giving of the notice provided for in this Section 5.8(a) and (2) the record date for the determination of Shareholders entitled to vote at such annual meeting, and (B) have given timely notice thereof in proper written form in accordance with the requirements of this Section 5.8 (a) to the Secretary.

(ii) For nominations or other business to be properly brought before an annual meeting by a Shareholder pursuant to this Section 5.8(a)(i)(C), a Shareholder must have given timely notice thereof in writing to the Secretary and,

in the case of business other than nominations, such other business must otherwise be a proper matter for Shareholder action. Except to the extent otherwise required by applicable law, to be timely, a Shareholder's notice shall be delivered to the Secretary at the principal executive offices of the Sponsor not less than one hundred and twenty (120) days nor more than one hundred and fifty (150) days prior to the first anniversary of the preceding year's annual meeting; *provided, however*, that, in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by a Shareholder must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Trust. In the case of the first annual meeting of Shareholders, a Shareholder's notice shall be timely if it is delivered to the Secretary at the principal executive offices of the Sponsor not earlier than the one hundred and twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement or an adjournment or postponement of an annual meeting commence a new time period for the giving of a Shareholder's notice as described in this Section 5.8(a).

Subject to Section 5.8(a)(i), such Shareholder's notice shall set forth: (A) as to each individual whom the Shareholder proposes to nominate for election or reelection as a director of the Sponsor, all information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, pursuant to Regulation 14A under the Exchange Act, including such individual's written consent to being named in the proxy statement as a nominee and to serving as a director of the Sponsor if elected; (B) as to any other business that the Shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration), the reasons for conducting such business at the meeting and any material interest in such business of such Shareholder and the Beneficial Owner or holder of Shares, if any, on whose behalf the proposal is made; and (C) as to the Shareholder giving the notice and the Beneficial Owner, if any, on whose behalf the nomination or proposal is made, (1) the name and address of such Shareholder as they appear on the Trust's books and of such Beneficial Owner, (2) the number of, and evidence of such number of, Shares which are owned beneficially and of record by such Shareholder and such Beneficial Owner, (3) a representation that the Shareholder or Beneficial Owner, if any, intends to appear in person or by proxy at the meeting to propose such business or nomination, and (4) a representation whether the Shareholder or the Beneficial Owner, if any, intends or is part of a group which intends (i) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Trust's Outstanding Shares required to approve or adopt the proposal or elect the nominee and/or (ii) otherwise to solicit proxies from Shareholders in support of

such proposal or nomination. The foregoing notice requirements shall be deemed satisfied by a Shareholder if the Shareholder has notified the Trust of his or her intention to present a proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) promulgated under the Exchange Act and such Shareholder's proposal has been included in a proxy statement that has been prepared by the Trust to solicit proxies for such annual meeting. The Trust may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Sponsor or on any committee of the Board of Directors.

(iii) Notwithstanding anything in the second sentence of clause (ii) of this Section 5.8(a) to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Sponsor, on behalf of the Trust at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a Shareholder's notice required by this Section 5.8 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Sponsor not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Sponsor, on behalf of the Trust.

(b) Special Meeting of Shareholders

Only such business shall be conducted at a special meeting of Shareholders as shall have been brought before the meeting pursuant to the Trust's Notice of meeting pursuant to Section 5.4 of this Agreement. Nominations of individuals for election to the Board of Directors by the Trust, other than the Manager's appointed directors, for so long as the Manager is entitled to appoint directors of the Board of Directors pursuant to the terms of the Sponsor Agreement, may be made at a special meeting of Shareholders at which the Shareholders are to direct the Regular Trustees with respect to the Trust's election of directors pursuant to the Trust's Notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any Shareholder who is entitled to vote at the meeting who complies with the notice procedures set forth in this Section 5.8.

In addition to any other applicable requirements, for a nomination for election by the Trust of a director to be made by a Shareholder, such Shareholder must (A) be a Shareholder of record on both (1) the date of the delivery of such nomination and (2) the record date for the determination of Shareholders entitled to vote at such special meeting, and (B) have given timely notice thereof in proper written form in accordance with the requirements of this Section 5.8(b) to the Secretary.

In the event the Sponsor, on behalf of the Trust calls a special meeting of Shareholders for the purpose of their voting to direct the Trust with respect to its electing one or more directors to the Board of Directors, any such Shareholder may nominate such number of individuals for election by the Trust to such position(s) as are specified in the

Trust's Notice of Meeting, if the Shareholder's notice as required by clause (ii) of Section 5.8(a) of this Agreement shall be delivered to the Secretary at the principal executive offices of the Sponsor not earlier than the one hundred and twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period for the giving of a Shareholder's notice as described above.

(c) General

(i) Only individuals who are nominated in accordance with the procedures set forth in this Section 5.8 shall be eligible to be considered for election by the Trust as directors of the Sponsor at a meeting of Shareholders and only such business shall be conducted at a meeting of Shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 5.8. Except as otherwise provided by applicable law or this Section 5.8, the Chairman shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 5.8 and, if any proposed nomination or business is not in compliance with this Section 5.8, to declare that such defective proposal or nomination shall be disregarded.

(ii) For purposes of this Section 5.8, "Public Announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Trust with the Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 5.8, a Shareholder shall also comply with all applicable requirements of the Exchange Act and the Rules and Regulations thereunder with respect to the matters set forth in this Section 5.8. Nothing in this Section 5.8 shall be deemed to affect any rights of Shareholders to request inclusion of proposals in the Trust's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

Section 5.9 Procedure for Election of Directors; Voting

The election of directors by the Trust submitted to Shareholders at any meeting shall be decided by a plurality of the votes cast thereon. The Regular Trustees shall cause the Trust to vote the Sponsor Interests in accordance with section 5.6. Except as otherwise provided by applicable law or this Agreement, all matters other than the election of directors by the Trust submitted to Shareholders at any meeting shall be decided by the affirmative vote of a majority of the then Outstanding Shares present in person or represented by proxy at the meeting of Shareholders.

The vote on any matter at a meeting, including the election of directors by the Trust, shall be by written ballot. Each ballot shall be signed by shareholder voting, or by such Shareholder's proxy, and shall state the number of Shares voted.

Section 5.10 Inspectors of Elections; Opening and Closing the Polls

(a) The Board of Directors by resolution shall appoint one or more inspectors, which inspector or inspectors shall not be directors, officers or employees of the Sponsor, to act at the meeting and make a written report thereof. One or more individuals may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been so appointed to act, or if all inspectors or alternates who have been appointed are unable to act, at a meeting of Shareholders, the Chairman shall appoint one or more inspectors to act at the meeting. Each such inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by the General Corporation Law of the State of Delaware as if the Trust were a Delaware corporation.

(b) The Chairman shall fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the Shareholders will vote at the meeting.

Section 5.11 Confidential Shareholder Voting

All proxies, ballots and votes, in each case to the extent they disclose the specific vote of an identified Shareholder, shall be tabulated and certified by an independent tabulator, inspector of elections and/or other independent parties and shall not be disclosed to any director, officer or employee of the Sponsor or Trustee; *provided, however*, that, notwithstanding the foregoing, any and all proxies, ballots and voting tabulations may be disclosed: (a) as necessary to meet legal requirements or to assist in the pursuit or defense of legal action; (b) if the Sponsor concludes in good faith that a bona fide dispute exists as to the authenticity of one or more proxies, ballots or votes, or as to the accuracy of any tabulation of such proxies, ballots or votes; (c) in the event of a proxy, consent or other solicitation in opposition to the voting recommendation of the Board of Directors; and (d) if a Shareholder requests or consents to disclosure of such Shareholder's vote or writes comments on such Shareholder's proxy card or ballot.

Section 5.12 Waiver of Notice

Whenever any notice is required to be given to any Shareholder by the terms of this Agreement, a waiver thereof in a writing, signed by the Shareholder or Shareholders entitled to notice, whether such waiver is given before or after the time stated therein, shall be deemed equivalent to the giving of such notice. If such a waiver is given by electronic transmission, the electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the Shareholder. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of Shareholders need be specified in any written waiver

of notice or any waiver by electronic transmission of such meeting. Notice of any meeting of Shareholders need not be given to any Shareholder if waived by such Shareholder either in a writing signed by such Shareholder or by electronic transmission, whether such waiver is given before or after such meeting is held.

Section 5.13 Remote Communication

For the purposes of this Agreement, if authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, Shareholders and proxyholders may, by means of remote communication:

(a) participate in a meeting of Shareholders; and

(b) to the fullest extent permitted by applicable law, be deemed present in person and vote at a meeting of Shareholders, whether such meeting is to be held at a designated place or solely by means of remote communication;

provided, *however*, that (i) the Sponsor, on behalf of the Trust, shall implement reasonable measures to verify that each Person deemed present and permitted to vote at the meeting by means of remote communication is a Shareholder or proxyholder, (ii) the Sponsor, on behalf of the Trust, shall implement reasonable measures to provide such Shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to Shareholders, including an opportunity to read or hear the proceedings of the meeting substantially and concurrently with such proceedings, and (iii) if any Shareholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Sponsor, on behalf of the Trust.

Section 5.14 Action by Written Consent

For so long as the Trust remains the sole holder of Sponsor Interests, the Trust shall take any action required or permitted to be taken at any meeting of the members of the Sponsor, by executing a written consent that shall reflect the vote of the Shareholders as required by the terms of this Agreement, without such meeting, without prior notice, and without a vote. Proxy materials completed by the Shareholders evidencing the result of a vote taken at a meeting of the Shareholders with at least the minimum number of votes required to constitute an affirmative vote of the Shareholders under this Agreement shall be delivered to the Sponsor indicating the vote or action being approved or disapproved by such Shareholders with respect to those matters reserved to the Shareholders by this Agreement.

Section 5.15 Inspection of Records

(a) The Sponsor, on behalf of the Trust, shall keep or cause to be kept at its principal executive office appropriate books and records with respect to the Trust, including, without limitation, all books and records necessary to provide to the Shareholders any information, lists and copies of documents required to be provided pursuant to applicable law. Any books and records maintained by or on behalf of the

Trust in the regular course of its business, including, without limitation, the record of the Shareholders, books of account and records of Trust proceedings, may be kept in electronic or any other form; *provided*, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time.

(b) The Secretary shall make, at least ten (10) days before every meeting of Shareholders, a complete list of the Shareholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each Shareholder and the number of Shares registered in the name of each Shareholder. Such list shall be open to the examination of any Shareholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (i) on a reasonably accessible electronic network; *provided*, that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Trust. In the event that the Sponsor determines to make the list available on an electronic network, the Sponsor may take reasonable steps to ensure that such information is available only to Shareholders. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any Shareholder who is present.

Any Shareholder or Beneficial Owner, in person or by attorney or other agent, shall, upon written demand stating the purpose thereof, have the right during the usual business hours to inspect for any proper purpose, and to make copies and extracts from: (1) the Trust's Share Register, a list of the Shareholders, and its other books and records or (2) the Sponsor's books and records; *provided*, that as of the date of the making of the demand, inspection of such books and records would not constitute a breach of any confidentiality agreement. In every instance where a person purports to be a Beneficial Owner of Shares but who is not the holder of record as identified on the Share Register, the demand shall state such Person's status as a Beneficial Owner of Shares, be accompanied by documentary evidence of beneficial ownership of Shares, and state that such documentary evidence is a true and correct copy of what it purports to be. A proper purpose shall mean a purpose reasonably related to such Person's interest as a Shareholder or Beneficial Owner of Shares.

ARTICLE VI

RIGHT OF SHAREHOLDERS TO ENFORCE PROVISIONS OF SPONSOR AGREEMENTS AND BRING DERIVATIVE ACTION

Section 6.1 Right to Institute Legal Proceeding

Pursuant to Section 2.5 of the Sponsor Agreement, Shareholders have certain rights to institute legal proceedings against the Sponsor to enforce the provisions of the Sponsor Agreement.

Section 6.2 Ten Percent (10%) or More Shareholder

Subject to the requirements of Section 3816 of the Delaware Statutory Trust Act and other applicable law, for so long as the Trust remains the sole owner of Sponsor Interests, Shareholders holding at least ten percent (10%) or more of the Outstanding Shares shall have the right to cause the Trust to institute any legal proceeding for any remedy available to the Trust, as a holder of Sponsor Interests, and, to the extent permitted by applicable law, such Shareholders may direct the time, method and place of conducting any such legal proceeding brought by the Trust.

Except as expressly provided in this Agreement, nothing in this Agreement shall be deemed to give to any Person any benefit or any legal or equitable right, remedy or claim under this Agreement.

ARTICLE VII

SHAREHOLDER VOTE REQUIRED IN CONNECTION WITH CERTAIN BUSINESS COMBINATIONS OR TRANSACTIONS

Section 7.1 Vote Generally Required

Except as provided in Sections 9.2 and 9.3 and subject to the provisions of Section 7.2 hereof, the Trust shall not (a) merge or consolidate with or into any limited liability company, corporation, statutory trust, business trust or association, real estate investment trust, common-law trust, or any other unincorporated business, including a partnership, or (b) sell, lease or exchange all or substantially all of the Trust Property, unless the Sponsor, acting through the Board of Directors, adopts a resolution, by the affirmative vote of at least a majority of the Sponsor’s Board of Directors, approving such action and unless such action shall be approved by the affirmative vote of the holders of a majority of the then Outstanding Shares outstanding and entitled to vote thereon. The notice of the meeting at which such resolution is to be considered shall so state.

Section 7.2 Vote for Business Combinations

The affirmative vote of the holders of record of Outstanding Shares representing at least sixty-six and two-thirds percent (66 2/3%) of the then Outstanding Shares (excluding Shares held by the Interested Shareholder or any Affiliate or Associate of an Interested Shareholder) shall be required to approve any Business Combination. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by applicable law or in any agreement with any securities exchange or otherwise.

Section 7.3 Power of Continuing Directors

The Continuing Directors shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article VII, including, without limitation, (a) whether a Person is an

Interested Shareholder, (b) the number of Shares beneficially owned by any Person, (c) whether a Person is an Affiliate or Associate of another and (d) the Fair Market Value of the Shares, the Sponsor Interests or any equity securities of any Subsidiary thereof; and the good faith determination of the Continuing Directors on such matters shall be conclusive and binding for all the purposes of this Article VII.

Section 7.4 No Effect on Fiduciary Obligations

Nothing contained in this Article VII shall be construed to relieve the directors of the Board of Directors or an Interested Shareholder from any fiduciary obligation imposed by applicable law.

ARTICLE VIII

THE TRUSTEES

Section 8.1 Certain Duties and Responsibilities

(a) In addition to the duties and responsibilities provided for herein, the Regular Trustees shall have the following exclusive duties:

(i) negotiate, execute and deliver the Sponsor Agreement on behalf of the Trust (which may be executed by any one Regular Trustee);

(ii) to maintain bank accounts, brokerage accounts and other custody accounts that receive Trust income and receipts from which Trust expenditures and distributions are disbursed;

(iii) to maintain the Trust Property;

(iv) to maintain Trust records;

(v) to maintain an office for Trust business;

(vi) to originate, facilitate and review Trust reports and other Trust communications;

(vii) to execute documents and authorize Trust account transactions;

(viii) to retain accountants, attorneys, agents and other advisors in connection with its duties under this Agreement;

(ix) to file reports and returns on behalf of the Trust with government agencies to the extent required by applicable law and as specifically directed in writing by the Sponsor; and

(x) to perform such other actions as are necessary to effect any of the foregoing duties; *provided, however*, that no action may be taken by the Regular

Trustees to the extent that such action would cause the Regular Trustees to be considered to have the power to vary the investment of the Beneficial Owners or otherwise to cause the Trust no longer to qualify as a grantor trust for U.S. federal income tax purposes.

(b) The duties and responsibilities of the Trustees shall be as provided by this Agreement. Except as provided in Section 2.8 or other express provisions hereof, the Sponsor and the Trustees hereby acknowledge and agree that the Trustees are authorized, directed and instructed to act as specifically authorized in writing by the Sponsor.

Any written instructions, notwithstanding any error in the transmission thereof or that such instructions may not be genuine, shall, as against the Sponsor and in favor of the Trustees, be conclusively deemed to be valid instructions from the Sponsor to the Trustees for the purposes of this Agreement, if believed in good faith by the Trustees to be genuine and if not otherwise insufficient on the face of such written instructions; *provided*, *however*, that a Trustee in its discretion may decline to act upon any instructions where they are not received by such Trustee in sufficient time for such Trustee to act upon or in accordance with such instructions, where such Trustee has reasonable grounds for concluding that the same have not been accurately transmitted or are not genuine or where such Trustee believes in good faith that complying with such instructions is contrary to applicable law or might subject such Trustee to any liability. If a Trustee declines to act upon any instructions for any reason set out in the preceding sentence, it shall notify (and provide reasonable detail to) the Sponsor and the other Trustees in writing forthwith after it so declines. In addition, the Delaware Trustee shall not be required to take or refrain from taking any action if the Trustee shall have determined, or shall have been advised by counsel, that such performance is likely to involve the Delaware Trustee in personal liability or is contrary to the terms of this Agreement, any other document to which the Trust is a party or otherwise contrary to law.

(c) The Trustees shall not be liable for any act or omission in the course of or connected with their performance hereunder, except only that each Trustee shall be subject to liability and assume the entire responsibility for direct damages suffered by the Sponsor or any other Person occasioned by such Trustee’s own gross negligence or willful misconduct or the gross negligence or willful misconduct of any of such Trustee’s directors, officers or employees in the rendering of its performance hereunder, as determined by a court of competent jurisdiction.

(d) The Trustees shall incur no liability to anyone in acting upon any document, including any certified items referenced herein, reasonably believed by them to be genuine (which is not insufficient on its face) and to have been signed by the proper Person or Persons, including (i) written instructions from the Sponsor, and (ii) a certified copy of a resolution of the Board of Directors or other governing body of any corporate party, which shall be conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically prescribed herein, the Trustees may for all purposes hereof rely on a certificate, signed by the Sponsor, as to such fact or

matter, and such certificate, if relied upon by the Trustees in good faith, shall constitute full protection to the Trustees for any action taken or omitted to be taken by them in good faith in reliance thereon.

In no event shall the Trustees be liable to any Persons for (A) acting in accordance with instructions from the Sponsor, (B) any damages in the nature of special, indirect or consequential damages, however styled, including, without limitation, lost profits, or for any losses due to forces beyond the control of such Trustee, including, without limitation, strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services provided to the Trustees by third parties or (C) the acts or omissions of their nominees, correspondents, designees, agents or subagents appointed by them in good faith.

(e) In the event that the Trustees are unsure of the course of action to be taken by them hereunder, the Trustees may request instructions from the Sponsor as to such course of action to be taken. In the event that no instructions are provided within the time requested by the Trustees, they shall have no duty or liability for their failure to take any action or for any action they take in good faith and in accordance with the terms hereof.

Section 8.2 Not Responsible for Recitals or Issuance of Shares

The recitals contained herein and in the Share Certificates shall not be taken as the statements of the Trustees, and the Trustees do not assume any responsibility for their correctness.

Section 8.3 May Hold Shares

Any Trustee or any other agent of any Trustee or the Trust, in its individual or any other capacity, may become the owner or pledgee of Shares and may otherwise deal with the Trust with the same rights it would have if it were not a Trustee or such other agent.

Section 8.4 Compensation; Indemnity; Fees

The Sponsor agrees:

(i) to pay the Delaware Trustee from time to time such compensation for all services rendered by it hereunder as the parties shall agree from time to time in writing (which compensation shall not be limited by any provision of applicable law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustees upon request for all reasonable expenses, disbursements and advances incurred or made by the Trustees in accordance with any provision of this Agreement (including the reasonable compensation and the expenses and disbursements of its agents, counsel and experts), except any such expense, disbursement or advance determined by a court of competent jurisdiction to have been caused by its own gross negligence or willful misconduct; and

(iii) to the fullest extent permitted by applicable law, to indemnify and hold harmless (i) the Trustees, (ii) any officer, director, shareholder, employee, representative or agent of the Trustees, and (iii) any employee or agent of the Trust (collectively, the "***Indemnified Person***") from and against any loss, damage, liability, tax, penalty, expense or claim of any kind or nature whatsoever incurred by such Indemnified Person by reason of the creation, operation or termination of the Trust or any act or omission performed or omitted by such Indemnified Person in good faith on behalf of the Trust and in a manner such Indemnified Person reasonably believed to be within the scope of authority conferred on such Indemnified Person by this Agreement, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, damage, liability, tax, penalty, expense or claim of any kind or nature incurred by such Indemnified Person by reason of gross negligence or willful misconduct with respect to such acts or omissions.

Section 8.5 Delaware Trustee Required; Eligibility of Trustees

(a) There shall at all times be a Delaware Trustee hereunder with respect to the Shares. The Delaware Trustee shall be either (i) a natural person who is at least 21 years of age and a resident of the State of Delaware or (ii) a legal entity with its principal place of business in the State of Delaware and that otherwise meets the requirements of applicable Delaware law that shall act through one or more persons authorized to bind such entity. If at any time the Delaware Trustee with respect to the Shares shall cease to be eligible in accordance with the provisions of this Section 8.5, it shall resign immediately in the manner and with the effect hereinafter specified in this Article VIII.

(b) There shall at all times be at least one Regular Trustee hereunder with respect to the Shares. The Regular Trustee shall be either a natural person who is at least 21 years of age or a legal entity that shall act through one or more persons authorized to bind that entity.

Section 8.6 Resignation and Removal; Appointment of Successor

(a) Subject to Sections 8.6(b) and 8.6(c), any Trustee (the "***Relevant Trustee***") may be appointed or removed without cause upon thirty (30) days prior notice to such Trustee by the Sponsor.

(b) The Trustee that acts as Delaware Trustee shall not be removed in accordance with Section 8.6(a) until a successor possessing the qualifications to act as Delaware Trustee under Section 8.5 (a "***Successor Delaware Trustee***") has been appointed and has accepted such appointment by instrument executed by such Successor Delaware Trustee and delivered to the Trust, the Sponsor and the removed Delaware Trustee.

(c) A Trustee appointed to office shall hold office until his, her or its successor shall have been appointed or until his, her or its death, removal, resignation, dissolution or liquidation. Any Trustee may resign from office (without need for prior or subsequent accounting) by an instrument in writing with thirty (30) days notice signed by the Trustee and delivered to the Sponsor and the Trust, which resignation shall take effect

upon such later date as is specified therein; *provided, however*, that no such resignation of the Trustee that acts as the Delaware Trustee shall be effective until a Successor Delaware Trustee has been appointed and has accepted such appointment by instrument executed by such Successor Delaware Trustee and delivered to the Trust, the Sponsor and the resigning Delaware Trustee.

(d) If no Successor Delaware Trustee shall have been appointed and accepted appointment as provided in this Section 8.6 within sixty (60) days after delivery pursuant to this Section 8.6 of an instrument of resignation or removal, the Delaware Trustee resigning or being removed, as applicable, may petition, at the expense of the Sponsor, any court of competent jurisdiction for appointment of a Successor Delaware Trustee. Such court may thereupon, after prescribing such notice, if any, as it may deem proper, appoint a Successor Delaware Trustee.

(e) No Delaware Trustee shall be liable for the acts or omissions to act of any Successor Delaware Trustee, as the case may be.

(f) Notwithstanding the foregoing or any other provision of this Agreement, in the event a Regular Trustee or a Delaware Trustee who is a natural person dies or becomes, solely in the opinion of the Sponsor, incompetent or incapacitated, the vacancy created by such death, incompetence or incapacity may be filled by the Sponsor (with the successor in each case being a Person who satisfies the eligibility requirement for the Regular Trustee or the Delaware Trustee, as the case may be, set forth in Section 8.5).

(g) The indemnity provided to a Trustee under Section 8.4 shall survive any Trustee's resignation or removal and the termination of this Agreement.

Section 8.7 Acceptance of Appointment by Successor

(a) In case of the appointment hereunder of a Successor Trustee, such Successor Trustee so appointed shall execute, acknowledge and deliver to the Trust and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such Successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers and duties of the retiring Trustee; *provided*, that on the request of the Sponsor or the Successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such Successor Trustee all the rights and powers of the retiring Trustee.

(b) No Successor Trustee shall accept its appointment unless at the time of such acceptance such Successor Trustee shall be qualified and eligible under this Article VIII.

Section 8.8 Merger, Conversion, Consolidation or Succession to Business

Any Person into which the Delaware Trustee or the Regular Trustee that is not a natural person may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which such Relevant

Trustee shall be a party, or any Person succeeding to all or substantially all the corporate trust business of such Relevant Trustee, shall be the successor of such Relevant Trustee hereunder; *provided*, such Person shall be otherwise qualified and eligible under this Article VIII, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Section 8.9 Number of Trustees

(a) The number of Trustees shall be three; *provided*, that the Sponsor may increase or decrease the number of Regular Trustees, subject to Section 8.5.

(b) If a Trustee ceases to hold office for any reason and the number of Regular Trustees is not reduced pursuant to Section 8.9(a), or if the number of Trustees is increased pursuant to Section 8.9(a), a vacancy shall occur. The vacancy shall be filled by a Successor Trustee appointed in accordance with Section 8.6.

(c) The death, resignation, retirement, removal, bankruptcy, incompetence or incapacity to perform the duties of a Trustee shall not operate to annul the Trust.

Section 8.10 Delegation of Power

(a) Any Regular Trustee may, by power of attorney consistent with applicable law, delegate to any other natural person over the age of 21 his or her power for the purpose of executing any documents contemplated in Section 2.9.

(b) The Regular Trustees shall have power to delegate from time to time to such of their number or to the Sponsor the doing of such things and the execution of such instruments either in the name of the Trust or the names of the Regular Trustees or otherwise as the Regular Trustees may deem expedient, to the extent such delegation is not prohibited by applicable law or contrary to the provisions of the Trust, as set forth herein.

Section 8.11 Resignation and Appointment of Regular Trustees

(a) I. Joseph Massoud hereby resigns as a Regular Trustee of the Trust as of the close of business on the first day upon which the Trust issues Shares.

(b) The Regular Trustees shall be Alan B. Offenberg and James J. Bottiglieri, each an individual and his successor shall be appointed by the Sponsor. Upon the resignation or removal of either individual, the Sponsor shall appoint a successor Regular Trustee.

(c) Whenever a vacancy in the number of Regular Trustees shall occur, until such vacancy is filled by the appointment of a Regular Trustee in accordance with this Section 8.11 or Section 8.6, the Regular Trustee(s) in office, if any, regardless of their number (and not withstanding any other provision of this Agreement), shall have all the powers granted to the Regular Trustee and shall discharge all the duties imposed upon the Regular Trustee by this Agreement.

ARTICLE IX

TERMINATION AND DISSOLUTION

Section 9.1 Termination or Dissolution

Unless terminated as provided herein, the Trust shall continue without limitation of time. If an Early Termination Event specified in Section 9.4 occurs, the Trust shall be dissolved, and one Sponsor Interest shall be distributed to each Shareholder in exchange for each Outstanding Share.

Section 9.2 Circumstances Under Which Shares Shall Be Voluntarily Exchanged for Sponsor Interests

In the event that the Sponsor, acting through the Board of Directors, (i) determines that either (A) the Trust or the Sponsor, or both, is, or is reasonably likely to be, treated as a corporation for U.S. federal income tax purposes, (B) the Trust is, or is reasonably likely to be, required to issue Schedules K-1 to Shareholders or (C) the existence of the Trust otherwise results, or is reasonably likely to result, in a material tax detriment to the Trust, Shareholders, the Sponsor or any member of the Sponsor and (ii) obtains an opinion of counsel to such effect, the Sponsor, acting through the Board of Directors (a) shall declare a record date and deliver a mandatory instruction to the Regular Trustees, together with any opinions of counsel or officers' certificates of the Sponsor as the Regular Trustees may reasonably request, directing the Regular Trustees to, subject to Section 3808(e) of the Delaware Statutory Trust Act, (i) deliver one Sponsor Interest to each Shareholder in exchange for each Outstanding Share (the "***Voluntary Exchange***") and (ii) dissolve the Trust and (b) shall deliver to the Transfer Agent notice of such Voluntary Exchange and shall cause the Transfer Agent to mail a copy of such notice to the Shareholders at least thirty (30) days prior to the Voluntary Exchange. Simultaneously with the completion of such Voluntary Exchange, each Shareholder immediately prior to the completion of the Voluntary Exchange shall be admitted to the Sponsor as a member in respect of a number of Sponsor Interests previously held by the Trust equal in number to the Outstanding Shares previously held by such Shareholder and each such member shall be issued a certificate evidencing the same, in accordance with the provisions of the Sponsor Agreement. Immediately thereafter, the Trust shall be deemed withdrawn from the Sponsor as a member in respect of such Sponsor Interest(s), and the Trust shall tender its certificates evidencing Sponsor Interests to the Transfer Agent or Sponsor for cancellation.

Section 9.3 Circumstances Under Which Shares Shall Be Mandatorily Exchanged for Sponsor Interests

If at any time one Person is the Beneficial Owner of more than ninety percent (90%) of the then Outstanding Shares (the "***Acquirer***"), such Acquirer shall then have the right to direct the Sponsor, acting through the Board of Directors, to (i) declare a record date and deliver a mandatory instruction to the Regular Trustees, together with any opinions of counsel or officers' certificates of the Sponsor as the Regular Trustees may

reasonably request, directing the Regular Trustees to (A) deliver one Sponsor Interest to each Shareholder, including the Acquirer, in exchange for each Outstanding Share (the "***Acquisition Exchange***") and (B) dissolve the Trust and (ii) deliver to the Transfer Agent notice of such Acquisition Exchange and cause the Transfer Agent to mail a copy of such notice to Shareholders at least thirty (30) days prior to the Acquisition Exchange. Simultaneously with the completion of such Acquisition Exchange, each Shareholder immediately prior to the completion of the Acquisition Exchange shall, pursuant to the terms of the Sponsor Agreement, be admitted to the Sponsor as a member in respect of a number of Sponsor Interests previously held by the Trust equal in number to the Outstanding Shares previously held by such Shareholder and each such member shall be issued a certificate evidencing the same, in accordance with the provisions of the Sponsor Agreement. Immediately thereafter, the Trust shall be deemed withdrawn from the Sponsor as a member in respect of such Sponsor Interest(s), and the Trust shall tender its certificates evidencing Sponsor Interests to the Transfer Agent or Sponsor for cancellation.

Section 9.4 Early Termination

The Trust shall dissolve upon the first to occur of any of the following events (each an "***Early Termination Event***"):

(i) the occurrence of a Voluntary Exchange pursuant to Section 9.2 or an Acquisition Exchange pursuant to Section 9.3;

(ii) the filing of a Certificate of Cancellation or its equivalent with respect to the Sponsor or the failure of the Sponsor to revive its charter within ten (10) days following the revocation of the Sponsor's charter;

(iii) the entry of a decree of judicial dissolution by a court of competent jurisdiction of the Sponsor or the Trust; or

(iv) the written election of the Sponsor.

As soon as is practicable after the occurrence of any event referred to above, the Regular Trustees shall notify the Delaware Trustee and then shall wind-up the Trust pursuant to Section 3808(e) of the Delaware Statutory Trust Act and any one of the Regular Trustee shall execute and file a Certificate of Cancellation with the Secretary of State of the State of Delaware.

Section 9.5 Termination of Obligations

The respective obligations and responsibilities of the Trustees and the Trust continued hereby shall terminate upon the latest to occur of the following:

(i) the payment of all expenses owed by the Trust pursuant to Section 3808 of the Delaware Statutory Trust Act;

(ii) the discharge of all administrative duties of the Regular Trustees; and

(iii) the filing of a Certificate of Cancellation canceling the Trust's Certificate of Trust with the Secretary of State of the State of Delaware by one of the Regular Trustees.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 10.1 Limitation of Rights of Shareholders

The death or incapacity of any person having an interest, beneficial or otherwise, in Shares shall not operate to terminate this Agreement, nor entitle the legal representatives or heirs of such person or any Shareholder for such person to claim an accounting, take any action or bring any proceeding in any court for a partition or winding-up of the arrangements contemplated hereby, nor otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

Section 10.2 Amendment

This Agreement may be amended from time to time by the Sponsor, acting through the Board of Directors, and by the Regular Trustees at the direction of the Sponsor, acting through the Board of Directors; *provided*, *however*, that no such amendment shall alter the rights, powers or immunities of the Delaware Trustee without its written consent; *provided, further*, that the Sponsor shall not, and no Trustee shall, without the affirmative vote of a majority of the then Outstanding Shares present in person or represented by proxy at a meeting of the Shareholders (i) enter into or consent to any amendment to this Agreement which would cause the Trust to fail or cease to qualify for the exemption from the status of an "investment company" under the 1940 Act, (ii) cause the Trust to fail to qualify as a grantor trust for U.S. federal income tax purposes, (iii) cause the Trust to issue a class of equity securities other than the Shares (it being understood that separate series of the Shares shall not constitute a different class of equity security from the Shares) or issue any debt securities or any derivative securities or amend the provision of Section 2.4 of this Agreement prohibiting such issuance, (iv) enter into or consent to any amendment to this Agreement that would affect the exclusive and absolute right of the Shareholders to direct the voting of the Trust, as a member of the Sponsor, pursuant to Section 5.6 of this Agreement, with respect to all matters reserved for the vote of members of the Sponsor pursuant to the provisions of the Sponsor Agreement or (v) effect the merger or consolidation of the Trust, effect the sale, lease or exchange of all or substantially all of the Trust Property and certain other Business Combinations or transactions; *provided*, *further*, that Section 2.4, Section 3.1 and this Section 10.2 of this Agreement may not be amended without the affirmative vote of a majority of the then Outstanding Shares present in person or represented by proxy at a meeting of Shareholders.

Section 10.3 Separability

In case any provision in this Agreement or in the Share Certificates or the application of such provision to any person or circumstance, shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Trust Agreement or in the Shares Certificates or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not in any way be affected or impaired thereby.

Section 10.4 Specific Performance

The Sponsor and the Trustees agree that each party to this Agreement would be irreparably damaged if any of the provisions of this Agreement were not performed in accordance with their specific terms and that monetary damages would not provide an adequate remedy in such event. Accordingly, it is agreed that, in addition to any other remedy to which the nonbreaching party may be entitled, at law or in equity, each nonbreaching party shall be entitled to injunctive relief to prevent breaches of the provisions of this Agreement and specifically to enforce the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having subject matter jurisdiction thereof.

Section 10.5 Governing Law

This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware and all rights and remedies shall be governed by such laws without regard to the principles of conflict of laws; *PROVIDED, HOWEVER*, THAT THERE SHALL NOT BE APPLICABLE TO THE PARTIES HEREUNDER OR THIS TRUST AGREEMENT ANY PROVISION OF THE LAWS (COMMON OR STATUTORY) OF THE STATE OF DELAWARE PERTAINING TO TRUSTS (OTHER THAN THE DELAWARE STATUTORY TRUST ACT) THAT RELATE TO OR REGULATE, IN A MANNER INCONSISTENT WITH THE TERMS HEREOF, (A) THE FILING WITH ANY COURT OR GOVERNMENTAL BODY OR AGENCY OF TRUSTEE ACCOUNTS OR SCHEDULES OF TRUSTEE FEES AND CHARGES, (B) AFFIRMATIVE REQUIREMENTS TO POST BONDS FOR TRUSTEES, OFFICERS, AGENTS OR EMPLOYEES OF A TRUST, (C) THE NECESSITY FOR OBTAINING COURT OR OTHER GOVERNMENTAL APPROVAL CONCERNING THE ACQUISITION, HOLDING OR DISPOSITION OF REAL OR PERSONAL PROPERTY, (D) FEES OR OTHER SUMS PAYABLE TO TRUSTEES, OFFICERS, AGENTS OR EMPLOYEES OF A TRUST, (E) THE ALLOCATION OF RECEIPTS AND EXPENDITURES TO INCOME OR PRINCIPAL, (F) RESTRICTIONS OR LIMITATIONS ON THE PERMISSIBLE NATURE, AMOUNT OR CONCENTRATION OF TRUST INVESTMENTS OR REQUIREMENTS RELATING TO THE TITLING, STORAGE OR OTHER MANNER OF HOLDING OR INVESTING TRUST ASSETS OR (G) THE ESTABLISHMENT OF FIDUCIARY OR OTHER STANDARDS OF RESPONSIBILITY OR LIMITATIONS ON THE ACTS OR

POWERS OF TRUSTEES THAT ARE INCONSISTENT WITH THE LIMITATIONS OR AUTHORITIES AND POWERS OF THE TRUSTEES HEREUNDER AS SET FORTH OR REFERENCED IN THIS AGREEMENT. SECTION 3540 OF TITLE 12 OF THE DELAWARE CODE SHALL NOT APPLY TO THE TRUST.

Section 10.6 Successors

This Agreement shall be binding upon and shall inure to the benefit of any successor to the Sponsor, the Trust or the Relevant Trustee, including any successor by operation of law.

Section 10.7 Headings

The Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

Section 10.8 Communications, Notices and Demands

(a) Subject to Sections 5.4 and 5.8, any communications, notices or payment demands which are required or permitted to be given or served to or upon any Shareholder or the Sponsor by any provision of this Agreement shall be in writing and delivered personally, or, when the same is actually received, if sent either by registered or certified mail, postage and charges prepaid, or by facsimile, if such facsimile is followed by a hard copy of the facsimile communication sent promptly thereafter by registered or certified mail, postage and charges prepaid, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Shareholders:

If to the Shareholder, to such Shareholder as such Shareholder's name and address may
appear in the Share Register.

If to the Sponsor, to:

Compass Group Diversified Holdings LLC
Sixty One Wilton Road, Second Floor
Westport, CT 06880
Attention: Alan B. Offenberg
Facsimile No.: 203-221-8253

With a copy to:

Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Attention: Cynthia M. Krus
Facsimile No. 202-637-3593

And a copy to:

Richards, Layton & Finger, P.A.
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Attention: Eric A. Mazie
Facsimile No.: (302) 651-7701

or to such other address as such Person may from time to time specify by notice to the other parties hereto. Such communication, notice or demand to or upon a Shareholder shall be deemed to have been sufficiently given, or made, for all purposes, upon hand delivery, mailing or transmission.

(b) Any notice, demand or other communication which by any provision of this Agreement is required or permitted to be given or served to or upon the Trust, the Delaware Trustee or the Regular Trustees shall be given in writing (which may be by facsimile transmission) addressed (until another address is published by the Trust) as follows: (a) with respect to the Delaware Trustee, to The Bank of New York (Delaware), 502 White Clay Center, Route 273 P.O. Box 6973, Newark, Delaware 19711, and (b) with respect to each of the Regular Trustees, to him at the address for notices to the Sponsor, marked “Attention: Alan B. Offenberg” or “Attention: James J. Bottiglieri.” Such notice, demand or other communication to or upon the Trust shall be deemed to have been sufficiently given or made only upon actual receipt of the writing by the Trust.

Section 10.9 Counterpart Execution

This Agreement may be executed in any number of counterparts with the same effect as if all of the Parties had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed by their respective officers hereunto duly authorized, as of the day and year first above written.

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,
as Sponsor

By: /s/ I. Joseph Massoud
Name: I. Joseph Massoud
Title: Chief Executive Officer

THE BANK OF NEW YORK (DELAWARE),
as Delaware Trustee

By: /s/ William T. Lewis
Name: William T. Lewis
Title: Senior Vice President

/s/ I. Joseph Massoud
Name: I. Joseph Massoud, as Regular Trustee

/s/ James J. Bottiglieri
Name: James J. Bottiglieri, as Regular Trustee

/s/ Alan B. Offenberg
Name: Alan B. Offenberg, as Regular Trustee

EXHIBIT A — FORM OF SHARE CERTIFICATE

SPECIMEN

Number
Series

___Share

CREATED UNDER THE LAWS
OF
THE STATE OF DELAWARE

COMPASS DIVERSIFIED TRUST

This Certifies that ___ is the owner of Shares of ___ the Trust with such rights and privileges as are set forth in the Amended and Restated Trust Agreement of the Trust dated April 25, 2006 (the "Trust Agreement"), as it may be amended from time to time.

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE (THE "STATE ACTS") OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, BY ANY STATE SECURITIES COMMISSION OR BY ANY OTHER REGULATORY AUTHORITY OF ANY OTHER JURISDICTION. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NEITHER THE SHARES NOR ANY PART THEREOF MAY BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OR FOR WHICH SUCH REGISTRATION IS OTHERWISE NOT REQUIRED AND (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER ANY APPLICABLE STATE ACTS OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER SUCH STATE ACTS OR FOR WHICH SUCH REGISTRATION OTHERWISE IS NOT REQUIRED.

THE SHARES REPRESENTED BY THIS CERTIFICATE EVIDENCE THE PROPORTIONATE PORTION OF SUCH HOLDER'S SHARES IN THE TRUST. A STATEMENT OF THE RELATIVE RIGHTS AND PREFERENCES OF THE TRUST'S SHARES WILL BE FURNISHED BY THE TRUST TO THE HOLDER HEREOF UPON REQUEST WITHOUT CHARGE.

IN WITNESS WHEREOF, said Trust has caused this Certificate to be signed by its Regular Trustee this ___day of ___, A.D. 2006.

COMPASS DIVERSIFIED TRUST

By: ______________________________
Name:
Title: Regular Trustee

Exhibit 3.6

AMENDED AND RESTATED
OPERATING AGREEMENT
OF
COMPASS GROUP DIVERSIFIED HOLDINGS LLC

Dated as of April 25, 2006

TABLE OF CONTENTS

	Page
ARTICLE 1 THE COMPANY	**1**
Section 1.1 Formation	1
Section 1.2 Name	1
Section 1.3 Purpose; Powers; Company Not to Be an Investment Company; Prior Authorization of Actions Valid	2
Section 1.4 Principal Place of Business; Registered Office; Registered Agent	3
Section 1.5 Term	3
Section 1.6 Filings	3
Section 1.7 Title to Property	3
Section 1.8 Payments of Individual Obligations	3
Section 1.9 Definitions	4
ARTICLE 2 THE TRUST	**23**
Section 2.1 Trust to Be Sole Holder of Trust Interests	23
Section 2.2 Trust Shares to Represent Trust Interests	23
Section 2.3 Voluntary Exchange of Trust Shares for Trust Interests	23
Section 2.4 Acquisition Exchange of Trust Shares for Trust Interests	23
Section 2.5 Right of Holders of Trust Shares and Members to Enforce Provisions of this Agreement and Bring Derivative Action	23
Section 2.6 Reimbursement of Regular Trustees	24
ARTICLE 3 CLASSES AND ISSUANCE OF LLC INTERESTS; TRANSFER	**24**
Section 3.1 LLC Interests	24
Section 3.2 Issuance of Additional Trust Interests	25
Section 3.3 Trust Interest Certificates; Admission of Additional Members	26
Section 3.4 Repurchase of Trust Interests by the Company	26
Section 3.5 Mutilated, Lost, Destroyed or Stolen Certificates	27
ARTICLE 4 ALLOCATIONS	**27**
Section 4.1 General Application	27
Section 4.2 Allocations of Profits and Losses	27
Section 4.3 Special Allocations	28
Section 4.4 Curative Allocations	29
Section 4.5 Loss Limitation	30
Section 4.6 Other Allocation Rules	30
Section 4.7 Tax Allocations: Code Section 704(c)	31

	Page
ARTICLE 5 DISTRIBUTIONS	**31**
Section 5.1 Distributions to Members	31
Section 5.2 Distributions to the Allocation Member	31
Section 5.3 Amounts Withheld	37
Section 5.4 Limitations on Dividends and Distributions	37
ARTICLE 6 BOARD OF DIRECTORS	**37**
Section 6.1 Initial Board	37
Section 6.2 General Powers	37
Section 6.3 Duties of Directors	38
Section 6.4 Number, Tenure and Qualifications	38
Section 6.5 Election of Directors	39
Section 6.6 Removal	39
Section 6.7 Resignations	39
Section 6.8 Vacancies and Newly Created Directorships	39
Section 6.9 Appointment of or Nomination and Election of Chairman	40
Section 6.10 Chairman of the Board	40
Section 6.11 Regular Meetings	40
Section 6.12 Special Meetings	40
Section 6.13 Notice for Special Meetings	40
Section 6.14 Waiver of Notice	41
Section 6.15 Action Without Meeting	41
Section 6.16 Conference Telephone Meetings	41
Section 6.17 Quorum	41
Section 6.18 Committees	42
Section 6.19 Committee Members	43
Section 6.20 Committee Secretary	44
Section 6.21 Compensation	44
Section 6.22 Indemnification, Advances and Insurance	44
Section 6.23 Reliance; Limitations in Liability	46
ARTICLE 7 OFFICERS	**47**
Section 7.1 General	47
Section 7.2 Duties of Officers	48
Section 7.3 Election and Term of Office	48
Section 7.4 Chief Executive Officer	48
Section 7.5 Chief Financial Officer	48
Section 7.6 Reserved	49
Section 7.7 Secretary	49
Section 7.8 Resignations	49
Section 7.9 Vacancies	49

	Page
ARTICLE 8 MANAGEMENT	**49**
Section 8.1 Duties of the Manager	49
Section 8.2 Secondment of the Chief Executive Officer and Chief Financial Officer	49
Section 8.3 Secondment of Additional Officers	49
Section 8.4 Status of Seconded Officers and Employees	50
Section 8.5 Removal of Seconded Officers	50
Section 8.6 Replacement Manager	50
ARTICLE 9 THE MEMBERS	**50**
Section 9.1 Rights or Powers	50
Section 9.2 Annual Meetings of Members	50
Section 9.3 Special Meetings of Members	51
Section 9.4 Place of Meeting	51
Section 9.5 Notice of Meeting	51
Section 9.6 Quorum and Adjournment	52
Section 9.7 Proxies	52
Section 9.8 Notice of Member Business and Nominations	53
Section 9.9 Procedure for Election of Directors; Voting	56
Section 9.10 Inspectors of Elections; Opening and Closing the Polls	56
Section 9.11 Confidential Member Voting	56
Section 9.12 Waiver of Notice	57
Section 9.13 Remote Communication	57
Section 9.14 Member Action Without a Meeting	57
Section 9.15 Return on Capital Contribution	58
Section 9.16 Member Compensation	58
Section 9.17 Member Liability	58
ARTICLE 10 MEMBER VOTE REQUIRED IN CONNECTION WITH CERTAIN BUSINESS COMBINATIONS OR TRANSACTIONS	**58**
Section 10.1 Vote Generally Required	58
Section 10.2 Vote for Business Combinations	58
Section 10.3 Power of Continuing Directors	59
Section 10.4 No Effect on Fiduciary Obligations	59
ARTICLE 11 BOOKS AND RECORDS	**59**
Section 11.1 Books and Records; Inspection by Members	59
Section 11.2 Reports	60
Section 11.3 Preparation of Tax Returns	61
Section 11.4 Tax Elections	61
Section 11.5 Tax Information	61

	Page
ARTICLE 12 AMENDMENTS	**62**
ARTICLE 13 TRANSFERS; MONTHLY ALLOCATIONS	**62**
ARTICLE 14 DISSOLUTION AND WINDING UP	**63**
Section 14.1 Dissolution Events	63
Section 14.2 Winding Up	63
Section 14.3 Compliance with Certain Requirements of Regulations; Deficit Capital Accounts	64
Section 14.4 Deemed Distribution and Recontribution	64
Section 14.5 Rights of Members	64
Section 14.6 Notice of Dissolution/Termination	65
Section 14.7 Allocations During Period of Liquidation	65
Section 14.8 Character of Liquidating Distributions	65
Section 14.9 The Liquidator	65
Section 14.10 Form of Liquidating Distributions	66
ARTICLE 15 MISCELLANEOUS	**66**
Section 15.1 Notices	66
Section 15.2 Binding Effect	66
Section 15.3 Construction	67
Section 15.4 Time	67
Section 15.5 Headings	67
Section 15.6 Severability	67
Section 15.7 Incorporation by Reference	67
Section 15.8 Variation of Terms	67
Section 15.9 Governing Law and Consent to Jurisdiction/Service of Process	67
Section 15.10 Waiver of Jury Trial	67
Section 15.11 Counterpart Execution	68
Section 15.12 Specific Performance	68
Exhibit A — Specimen Trust Interest Certificate	A-1

This AMENDED AND RESTATED OPERATING AGREEMENT (the “***Agreement***”) shall be effective as of the 25th day of April, 2006 and is entered into by Compass Diversified Trust and Compass Group Management LLC, as Members hereunder and pursuant to the provisions of the Act as in effect on the date hereof. Such Members hereby agree to the amendment and restatement of the Operating Agreement, dated as of November 18, 2005 (the “***Original Agreement***”), as set forth herein. Capitalized terms used in this Agreement without definition shall have the respective meanings specified in Section 1.9 and, unless otherwise specified, article and section references used herein refer to Articles and Sections of this Agreement.

ARTICLE 1

THE COMPANY

Section 1.1 Formation. Pursuant to the terms of the Original Agreement, the Manager formed the Company as a limited liability company under and pursuant to the provisions of the Act and upon the terms and conditions set forth in the Original Agreement. The fact that the Certificate is on file in the office of the Secretary of State of the State of Delaware shall constitute notice that the Company is a limited liability company. Simultaneously with the execution of Original Agreement and the formation of the Company, the Manager was admitted as a Member of the Company. Each member of the Board of Directors was designated as an “authorized person” within the meaning of the Act under the Original Agreement, and I. Joseph Massoud has executed, delivered and filed the Certificate with the Secretary of State of the State of Delaware, such execution, delivery and filing being hereby ratified in all respects. Upon the effectiveness of this Agreement, the powers of each member of the Board of Directors as an authorized person shall cease, and the Manager shall become the designated “authorized person” within the meaning of the Act and shall continue as the designated “authorized person” within the meaning of the Act. The Manager shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in Connecticut and in any other jurisdiction in which the Company may wish to conduct business. The rights and liabilities of the Members shall be as provided under the Act, the Certificate and this Agreement.

Section 1.2 Name.

(a) Subject to Section 1.2(b), the name of the Company shall continue to be Compass Group Diversified Holdings LLC and all business of the Company shall be conducted in such name. The Board of Directors may change the name of the Company upon ten (10) Business Days’ written notice to the Members, which name change shall be effective upon the filing of a certificate of amendment of the Certificate with the Secretary of State of the State of Delaware, and an amendment of this Agreement (which amendment shall not require the consent of any Member or other Person notwithstanding any other provision of this Agreement).

(b) The Board of Directors shall take all action and do all things necessary to give effect to Section 9.5 of the Management Services Agreement.

Section 1.3 Purpose; Powers; Company Not to Be an Investment Company; Prior Authorization of Actions Valid.

(a) The purposes of the Company are (i) to conduct or promote any lawful business, purpose or activity permitted for a limited liability company of the State of Delaware under the Act, (ii) to make such additional investments and engage in such additional activities as the Board of Directors may approve, and (iii) to engage in any and all activities related or incidental to the purposes set forth in clauses (i) and (ii); *provided*, *however*, that the Company is not permitted to engage in any activities that would cause it to become an “investment company” as defined in Section 3(a)(1) of the Investment Company Act of 1940, as amended and as may be amended from time to time, or any successor provision thereto.

(b) The Company has the power to do any and all acts necessary, appropriate, proper, advisable, incidental or convenient to or in furtherance of the purposes of the Company set forth in this Section 1.3 and has, without limitation, any and all powers that may be exercised on behalf of the Company by the Board of Directors pursuant to Article 6 hereof.

(c) Notwithstanding anything in this Agreement to the contrary, any actions and things (including the entering into and performance of any agreements or other documents) properly authorized, in the name and on behalf of the Company, by the Board of Directors as constituted at the time of any such authorization, whether prior to the date of this Agreement (including under the Original Agreement) or under and in accordance with this Agreement (or the Original Agreement), were, are and shall continue to be valid and duly authorized, and the Company shall continue to have the power and authority to take and do all such actions and things (including to enter into and perform all such agreements or other documents), whether or not such actions or things have already been taken or done (or such agreements or other documents entered into and/or performed), and regardless of whether the composition of the Board of Directors has changed, whether the Original Agreement or this Agreement has been amended, whether the Initial Public Offering has closed or otherwise prior to the actual taking or doing of any such actions or things (including the entering into or performance of any such documents) by the Company.

(d) The Company, and the Company on behalf of the Trust, is hereby authorized to execute, deliver and perform, and the Manager or any member of the Board of Directors or the Chief Executive Officer or the Chief Financial Officer, or any Person authorized by the Board of Directors on behalf of the Company, are hereby authorized to execute and deliver, the Transaction Documents and all documents, agreements, certificates, or financing statements contemplated thereby or related thereto, all without any further act, vote or approval of any other Person notwithstanding any other provision of this Agreement. The foregoing authorizations shall not be deemed a restriction on the powers of the Manager or the Board of Directors to enter into (or for the Board of Directors to delegate to other Persons the power to enter into) other agreements on behalf of the Company.

Section 1.4 Principal Place of Business; Registered Office; Registered Agent. The principal executive offices of the Company are at 61 Wilton Road, Westport, CT 06880. The Board of Directors may change the principal executive offices of the Company to any other place within or without the State of Delaware upon written notice to the Members. The address of the Company's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent for service of process in the State of Delaware at such address is The Corporation Trust Company or any successor registered agent for service of process as shall be appointed by the Board of Directors in accordance with the Act. The Company may have such offices, either within or without the State of Delaware, as the Board of Directors may designate or as the business of the Company may from time to time require.

Section 1.5 Term. The term of the Company commenced on the date the Certificate was first filed in the Office of the Secretary of State of the State of Delaware in accordance with the Act and shall continue until the winding up of the Company is completed following a Dissolution Event, as provided in Article 14 and the Certificate is cancelled as provided in the Act.

Section 1.6 Filings.

(a) The Board of Directors shall take any and all other actions, as may be reasonably necessary, to perfect and maintain the status of the Company as a limited liability company or similar type of limited liability entity under the laws of the State of Delaware and under the laws of any other jurisdictions in which the Company engages in business, including causing the Company to prepare, execute and file such amendments to the Certificate and such other assumed name certificates, documents, instruments and publications as may be required by law, including, without limitation, action to reflect:

(i) a change in the Company name; or

(ii) a correction of false or erroneous statements in the Certificate to accurately represent the information contained therein.

(b) Upon the dissolution and completion of the winding up of the Company in accordance with Article 14, the Board of Directors shall cause the Company to promptly execute and file a Certificate of Cancellation in accordance with the Act and the laws of any other jurisdiction in which the Board of Directors deems such filing necessary or advisable.

Section 1.7 Title to Property. All Property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such Property in its individual name, and each Member's interest in the Company shall be personal property for all purposes. At all times after the Effective Date, the Company shall hold title to all of its Property in the name of the Company and not in the name of any Member.

Section 1.8 Payments of Individual Obligations. The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be Transferred or encumbered for, or in payment of, any individual obligation of any Member.

Section 1.9 Definitions. For all purposes of this Agreement (as defined herein), except as otherwise expressly provided or unless the context otherwise requires:

(i) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(ii) unless the context otherwise requires, any reference to an "Article," "Section" or an "Exhibit" refers to an Article, Section or an Exhibit, as the case may be, of this Agreement; and

(iii) the words "herein," "hereinafter," "hereof," "hereto" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision:

"Acquirer" has the meaning set forth in the Trust Agreement.

"Acquisition Exchange" has the meaning set forth in the Trust Agreement.

"Act" means the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended from time to time (or any corresponding provisions of succeeding law) and, for the avoidance of doubt, includes all applicable jurisprudence.

"Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Allocation Year, after giving effect to the following adjustments:

(i) credit to such Capital Account any amounts which such Member is deemed to be obligated to restore pursuant to the penultimate sentence in each of Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations; and

(ii) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

The foregoing definition of "Adjusted Capital Account Deficit" is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

"Adjusted Net Assets" shall be equal to, with respect to any Person as of any date, the *sum* of (i) such Person's consolidated total assets (as determined in accordance with GAAP) as of such date, *plus* (ii) the absolute amount of consolidated accumulated amortization of intangibles of such Person (as determined in accordance with GAAP) as of such date, *minus* (iii) the absolute amount of Adjusted Total Liabilities of such Person as of such date.

"Adjusted Profit Distribution Amount" has the meaning set forth in Section 5.2(b).

"Adjusted Total Liabilities" shall be equal to, with respect to any Person as of any date, such Person's consolidated total liabilities (as determined in accordance with GAAP)

as of such date, after excluding the effect of any outstanding Third Party Indebtedness of such Person.

"Administrator" means, as of any Calculation Date, (i) the Manager as of such Calculation Date, and (ii) if there is no Manager, the Chief Financial Officer in all other cases.

"Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person or (ii) any officer, director, general member, member or trustee of such Person. For purposes of this definition, the terms ***"controlling," "controlled by"*** or ***"under common control with"*** shall mean, with respect to any Persons, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least fifty percent (50%) of the directors, managers, general members or Persons exercising similar authority with respect to such Person.

"Agreement" has the meaning set forth in the introductory paragraph hereof.

"Allocated Share of Company Overhead" means, with respect to any Profit Distribution Subsidiary during any Measurement Period as of any Calculation Date, the aggregate amount of such Profit Distribution Subsidiary's Quarterly Share of the Company's Overhead for each Fiscal Quarter ending during such Measurement Period.

"Allocation Interests" means the limited liability company interests in the Company designated under the Original Agreement as the "Class B Interests" and redesignated herein as "Allocation Interests", as authorized pursuant to Section 3.1(b), and having the rights provided herein.

"Allocation Interest Certificate" means a certificate representing Allocation Interests substantially in the form attached hereto as Exhibit A.

"Allocation Member" means the Manager, in its capacity as a Member.

"Allocation Year" means (i) the period commencing on the Effective Date and ending on December 31, 2005, (ii) any subsequent twelve (12)-month period commencing on January 1 and ending on December 31, or (iii) any portion of the period described in clause (i) or (ii) above for which the Company is required to allocate Profits, Losses and other items of Company income, gain, loss or deduction pursuant to Article 4.

"Applicable Listing Rules" means the applicable rules, if any, of the principal U.S. securities exchange or the Nasdaq National Market, as the case may be, on which the Trust Shares or Trust Interests, as applicable, are listed or quoted, as the case may be.

"Appointed Director" has the meaning set forth in Section 6.4.

"Approved Profit Distribution" has the meaning set forth in Section 5.2(c).

"Approved Profit Distribution Payment Date" means, with respect to any Calculation Date, ten (10) Business Days after the date upon which the Approved Profit

Distribution as of such Calculation Date is deemed approved in accordance with Sections 5.2(c) or 5.2(d).

"Associate" has the meaning ascribed to such term in Rule 12b-2 of the rules promulgated under the Exchange Act.

"Audit Committee" means the Audit Committee of the Board of Directors established pursuant to Section 6.18(a)(ii).

"Average Allocated Share of Consolidated Equity" shall be equal to, with respect to any Profit Distribution Subsidiary during any Measurement Period as of any Calculation Date, the average (*i.e.* the arithmetic mean) of the Profit Distribution Subsidiary's Quarterly Allocated Share of Consolidated Equity for each Fiscal Quarter ending during such Measurement Period.

"Beneficial Owner" has the meaning ascribed to such term in Rule 13d-3 of the Rules and Regulations promulgated under the Exchange Act.

"Board" or ***"Board of Directors"*** means the Board of Directors referred to in Article 6.

"Business Combination" means:

(i) any merger or consolidation of the Company or any Subsidiary thereof with (A) an Interested Shareholder, or (B) any other Person (whether or not itself an Interested Shareholder) that is, or after such merger or consolidation would be, an Affiliate or Associate of an Interested Shareholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with, or proposed by or on behalf of, an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder of any property or assets of the Company or any Subsidiary thereof having an aggregate Fair Market Value as of the date of the consummation of the transaction giving rise to the Business Combination of not less than ten percent (10%) of the Net Investment Value as of such date; or

(iii) the issuance or transfer by the Trust, the Company or any Subsidiary thereof (in one transaction or a series of transactions) of any securities of the Trust, the Company or any Subsidiary thereof to, or proposed by or on behalf of, an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value as of the date of the consummation of the transaction giving rise to the Business Combination of not less than ten percent (10%) of the Net Investment Value as of such date; or

(iv) any spin-off or split-up of any kind of the Company or any Subsidiary thereof, proposed by or on behalf of an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder; or

(v) any reclassification of the Trust Interests or securities of a Subsidiary of the Company (including any reverse split of Trust Interests or such securities) or recapitalization of the Company or such Subsidiary, or any merger or consolidation of the Company or such Subsidiary with any other Subsidiary thereof, or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder), that has the effect, directly or indirectly, of increasing the proportionate share of (A) Outstanding LLC Interests or such securities or securities of such Subsidiary which are beneficially owned by an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or (B) any securities of the Company or such Subsidiary that are convertible into or exchangeable for Trust Interests or such securities of such Subsidiary, that are directly or indirectly owned by an Interested Shareholder or any of its Affiliates or Associates; or

(vi) any agreement, contract or other arrangement providing for any one or more of the actions specified in clauses (i) through (v) above.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in The City of New York are required, permitted or authorized, by applicable law or executive order, to be closed for regular banking business.

"Calculation Date" means, with respect to any Trigger Event, the last day of the Fiscal Quarter in which such Trigger Event occurs.

"Capital Account" means, with respect to any Member, the Capital Account established and maintained for such Member by the Company in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (A) such Member's Capital Contributions (net of any liabilities relating to such Property), and (B) such Member's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Sections 4.3 or 4.4;

(ii) to each Member's Capital Account there shall be debited (A) the amount of money and the Gross Asset Value of any Property distributed to such Member pursuant to any provision of this Agreement (net of any liabilities relating to such Property), and (B) such Member's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Sections 4.3 or 4.4;

(iii) in the event LLC Interests are Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the Transferred LLC Interests; and

(iv) in determining the amount of any liability for purposes of subparagraphs (i) and (ii) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and the Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Board of

Directors shall determine that it is prudent to modify the manner in which the Capital Accounts or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Company or any Members) are computed in order to comply with such Regulations, the Board of Directors may make such modification; *provided*, that it is not likely to have a material effect on the amounts distributed to any Person pursuant to Article 14 upon the dissolution of the Company. The Board of Directors also shall (i) make any adjustments that are necessary or appropriate to maintain equality among the Capital Accounts of the Members and the amount of capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

"Capital Contributions" means, with respect to any Member, the amount of money and the initial Gross Asset Value of any Property (other than money) net of any liabilities relating to such Property contributed to the Company with respect to the LLC Interests of the Company held or subscribed for by such Member.

"Capital Gains" (i) shall mean, with respect to any Person, capital gains (as determined in accordance with GAAP) that are calculated in connection with the sale of capital stock or assets of such Person and which gave rise to a Sale Event and the calculation of the Profit Distribution Amount, and (ii) shall be equal to the amount, adjusted for minority interests, by which (x) the net sales price of such capital stock or assets, as the case may be, *exceeded* (y) the net book value (as determined in accordance with GAAP) of such capital stock or assets, as the case may be, at the time of such sale thereof, as reflected on the Company's consolidated balance sheet prepared in accordance with GAAP; *provided*, that such amount shall not be less than zero.

"Capital Losses" (i) shall mean, with respect to any Person, capital losses (as determined in accordance with GAAP) that are calculated in connection with the sale of capital stock or assets of such person and which gave rise to a Sale Event and the calculation of the Profit Distribution Amount, and (ii) shall be equal to the amount, adjusted for minority interests, by which (x) the net book value (as determined in accordance with GAAP) of such capital stock or assets, as the case may be, at the time of such sale thereof, as reflected on the Company's consolidated balance sheet prepared in accordance with GAAP, *exceeded* (y) the net sales price of such capital stock or assets, as the case may be; *provided*, that the absolute amount shall not be less than zero.

"Cash Available for Distribution" means, for any period, the *sum* of (i) gross cash proceeds of the Company for such period (which includes the proceeds of borrowings by the Company) *minus* (ii) the portion thereof used to pay or establish reserves for Company expenses, debt payments, capital improvements, replacements and contingencies, in each case, as determined by the Board of Directors. "Cash Available for Distribution" shall not be reduced by depreciation, amortization, cost recovery deductions or similar allowances, but shall be increased by any reductions of reserves described in clause (ii) of the prior sentence.

"Certificate" means the certificate of formation of the Company filed with the Secretary of State of the State of Delaware pursuant to the Act on November 18, 2005, as originally executed and amended, modified, supplemented or restated from time to time as the context requires.

"Certificate of Cancellation" means a certificate of cancellation of the Certificate filed in accordance with 6 Del. C. § 18-203.

"Chairman" means the director designated or nominated and elected, as the case may be, as Chairman of the Board of Directors, in accordance with Section 6.9, with such powers and duties as are set forth in Section 6.10.

"Chief Executive Officer" means the Chief Executive Officer of the Company, including any interim Chief Executive Officer of the Company, with such powers and duties as are set forth in Section 7.4.

"Chief Financial Officer" means the Chief Financial Officer of the Company, including any interim Chief Financial Officer of the Company, with such powers and duties as are set forth in Section 7.5.

"Closing Price" means, as of any date:

(i) the closing sale price (or, if no closing price is reported, the last reported sale price) of one Trust Share on the Nasdaq National Market on such date;

(ii) if the Trust Shares are not so quoted on the Nasdaq National Market on any such date, the last reported sale price as reported in the composite transactions for the principal U.S. securities exchange on which the Trust Shares are so listed on such date;

(iii) if the Trust Shares are not so reported, the last quoted bid price for the Trust Shares in the over-the-counter market as reported by the National Quotation Bureau or a similar organization on such date; or

(iv) if the Trust Shares are not so quoted, the average of the midpoint of the last bid and ask prices for the Trust Shares from at least three nationally recognized investment banking firms that the Company selects for such purpose on such date.

"Code" means the United States Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section of the Code shall be deemed to include a reference to any corresponding provision of law in effect in the future.

"Commission" means the U.S. Securities and Exchange Commission.

"Company" means the limited liability company formed pursuant to the Original Agreement and the Certificate, and continued pursuant to this Agreement.

"Company Minimum Gain" has the same meaning as the term "partnership minimum gain" in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

“Company Only Financial Statements” means, with respect to any accounting period, the unconsolidated financial statements of the Company prepared in accordance with GAAP.

“Compass Diversified Investments, Inc.” means Compass Diversified Investments, Inc. a Bahamian international business corporation wholly owned by Compass Group Investments, Inc.

“Compensation Committee” means the Compensation Committee of the Board of Directors established pursuant to Section 6.18(a)(iii).

“Consolidated Net Equity” shall be equal to, with respect to the Company as of any date, the *sum* of (i) the Company’s consolidated total assets (as determined in accordance with GAAP) as of such date, *plus* (ii) the aggregate amount of assets impairments (as determined in accordance with GAAP) that were taken relating to any Subsidiaries of the Company as of such date, *plus* (iii) the consolidated accumulated amortization of intangibles (as determined in accordance with GAAP) of the Company as of such date, *minus* (iv) the Company’s consolidated total liabilities (as determined in accordance with GAAP) as of such date.

“Continuing Director” means (i) any director of the Company who (A) is neither the Interested Shareholder involved in the Business Combination as to which a determination of Continuing Directors is provided hereunder, nor an Affiliate, Associate, employee, agent or nominee of such Interested Shareholder, or a relative of any of the foregoing, and (B) was a member of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, or (ii) any successor of a Continuing Director described in clause (i) above who is recommended or elected to succeed a Continuing Director by the affirmative vote of a majority of Continuing Directors then on the Board of Directors.

“Contribution-Based Profits” shall be equal to, with respect to any Profit Distribution Subsidiary for any Measurement Period as of any Calculation Date, the *sum* of (i) the aggregate amount of such Profit Distribution Subsidiary’s net income (loss) (as determined in accordance with GAAP and adjusted for minority interests) with respect to such Measurement Period (without giving effect to (x) any Capital Gains or Capital Losses realized by such Profit Distribution Subsidiary that arise with respect to the sale of capital stock or assets held by such Profit Distribution Subsidiary and which gave rise to a Sale Event and a calculation of Profit Distribution Amount or (y) any expense attributable to the accrual or payment of any amount of Profit Distribution or any amount arising under the Supplemental Put Agreement, in each case, to the extent included in the calculation of such Profit Distribution Subsidiary’s net income (loss)), *plus* (ii) the absolute aggregate amount of such Profit Distribution Subsidiary’s Loan Expense with respect to such Measurement Period, *minus* (iii) the absolute aggregate amount of such Profit Distribution Subsidiary’s Allocated Share of the Company’s Overhead with respect to such Measurement Period.

“Control Date” means the date upon which the Acquirer becomes the Beneficial Owner of at least 90% of the Outstanding Trust Interests.

"Credit Agreement" means the Credit Agreement, dated as of the date hereof, as may be amended from time to time, entered into by and between the Company and the Borrower (as defined therein).

"Cumulative Capital Gains" shall be equal to, as of any Calculation Date, the aggregate amount of Capital Gains realized by the Company as of such calculation date, after giving effect to any Capital Gains realized by the Company on such Calculation Date, since its inception.

"Cumulative Capital Losses" shall be equal to, as of any Calculation Date, the aggregate amount of Capital Losses realized by the Company, after giving effect to any Capital Losses realized by the Company on such Calculation Date, since its inception.

"Cumulative Gains and Losses" shall be equal to, with respect to the Company as of any Calculation Date, an amount equal to the *sum* of (i) the amount of Cumulative Capital Gains as of such Calculation Date, *minus* (ii) the absolute amount of Cumulative Capital Losses as of such Calculation Date.

"Debt" means (i) any indebtedness for borrowed money or the deferred purchase price of property as evidenced by a note, bonds or other instruments, (ii) obligations as lessee under capital leases, (iii) obligations secured by any mortgage, pledge, security interest, encumbrance, lien or charge of any kind existing on any asset owned or held by the Company, whether or not the Company has assumed or become liable for the obligations secured thereby, (iv) any obligation under any interest rate swap agreement, (v) accounts payable, and (vi) obligations under direct or indirect guarantees of (including obligations, contingent or otherwise, to assure a creditor against loss in respect of) indebtedness or obligations of the kinds referred to in clauses (i), (ii), (iii), (iv) and (v) above; *provided*, that Debt shall not include obligations in respect of any accounts payable that are incurred in the ordinary course of the Company's business and are not delinquent or are being contested in good faith by appropriate proceedings.

"DGCL" means the Delaware General Corporation Law, 8 Del. C. §§ 101 *et seq*., as amended from time to time (or any corresponding provisions of succeeding law) and, for the avoidance of doubt, includes all applicable jurisprudence.

"Direct Company Expenses" means, with respect to any period, that portion of the Company's operating expenses (including any management fees paid by the Company) for such period that are not incurred with respect to any Subsidiary for such period.

"Disputed Profit Distribution" has the meaning set forth in Section 5.2(c).

"Disputed Profit Distribution Date" has the meaning set forth in Section 5.2(c).

"Disputed Profit Distribution Payment Date" means, with respect to any Calculation Date, (i) if the Administrator does not disagree with the Audit Committee's calculation of Disputed Profit Distribution in accordance with Section 5.2(e)(i)(B), ten (10) Business Days after the Disputed Profit Distribution Date as of such Calculation Date or (ii) in all other cases, twenty-one (21) Business Days after the Disputed Profit Distribution Date as of such Calculation Date.

"Distribution Entitlement" has the meaning set forth in Section 5.2(l).

"Distribution Entitlement Amount" shall be equal to, as of any date of a Distribution Entitlement Notice, the *sum* of (i) the aggregate amount of all Distribution Entitlements elected to be such by the Allocation Member on all Profit Distribution Payment Dates occurring prior to the date of such Distribution Entitlement Notice, *minus* (ii) the aggregate amount of all Distribution Entitlement Payments paid by the Company to the Manager on all Distribution Entitlement Payment Dates occurring prior to the date of such Distribution Entitlement Notice.

"Distribution Entitlement Notice" has the meaning set forth in Section 5.2(l).

"Distribution Entitlement Payment" has the meaning set forth in Section 5.2(l).

"Distribution Entitlement Payment Date" has the meaning set forth in Section 5.2(l).

"Disinterested Director" means a director of the Company who is not and was not a party to the proceeding or matter in respect of which indemnification is sought by the claimant.

"Dissolution Event" has the meaning set forth in Section 14.1.

"Effective Date" means November 18, 2005, being the date of the effectiveness of the filing of the Certificate.

"Election Period" means, with respect to any Holding Date or anniversary thereof, the 30-day period immediately following such Holding Date or anniversary thereof.

"Entire Board of Directors" has the meaning set forth in Section 6.17.

"Escrow Agreement" means the Escrow Agreement, dated as of the date hereof, as may be amended from time to time, entered into by and between the Company and The Bank of New York, Inc. or any successor(s) thereto and the other parties named therein.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, as of any date:

(i) in the case of any equity securities, the average of the closing sale prices for such equity securities during the ten (10) Business Days immediately preceding such date:

(A) as reported in composite transactions by the Nasdaq National Market;

(B) if such equity securities are not so reported by the Nasdaq National Market, as reported in the composite transactions for the principal U.S. securities exchange on which such equity securities are so listed;

(C) if such equity securities are not so reported, the last quoted bid price for such equity securities, in the over-the-counter market as reported by the National Quotation Bureau or a similar organization; or

(ii) if such equity securities are not so reported, quoted or listed, or in the case of any other Property, the fair market value of such equity securities or such Property as of such date as determined by a majority of the Board of Directors in good faith; *provided*, that if the Manager shall dispute any such determination of fair market value by the Board of Directors, fair market value shall be determined instead by the investment banking or professional valuation firm selected by the Board of Directors from among no fewer than three qualified candidates provided by the Manager.

"Fiscal Quarter" means the Company's fiscal quarter for purposes of its reporting obligations under the Exchange Act.

"Fiscal Year" means the Company's fiscal year for purposes of its reporting obligations under the Exchange Act.

"Future Investments" means contractual commitments to invest represented by definitive agreements.

"GAAP" means generally accepted accounting principles in effect in the United States, consistently applied.

"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for U.S. federal income tax purposes, except as follows:

(i) the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Board of Directors;

(ii) the Gross Asset Values of all Company assets shall be adjusted by the Tax Matters Member to equal their respective gross fair market values (taking Code Section 7701(g) into account), as determined by the Tax Matters Member as of the following times: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of Company Property as consideration for an interest in the Company; (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) or (D) upon the declaration of a Holding Event; *provided*, that an adjustment described in clauses (A) and (B) of this subparagraph (ii) shall be made only if the Tax Matters Member reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company;

(iii) the Gross Asset Value of any item of Company assets distributed to any Member shall be adjusted to equal the gross fair market value (taking Code Section 7701(g) into account) of such asset on the date of distribution, as determined by the Tax Matters Member; and

(iv) the Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and subparagraph (vi) of the definition of "Profits" and "Losses"; *provided*,

however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (iv) to the extent that an adjustment pursuant to subparagraph (ii) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (ii) or (iv), such Gross Asset Value shall thereafter be adjusted by depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"High Water Mark" means, as of any Calculation Date, the highest positive amount of the Company's Cumulative Gains and Losses as of such Calculation Date that were calculated in connection with any Qualifying Trigger Event that occurred prior to such Calculation Date.

"High Water Mark Allocation" shall be equal to, as of any Calculation Date, the *product* of (i) the amount of the High Water Mark as of such Calculation Date, *multiplied by* (ii) 20%.

"Holding Date" means, with respect to any Subsidiary, the fifth anniversary of the date upon which the Company acquired a controlling interest in such Subsidiary; *provided*, that if the Allocation Member has previously elected that a Holding Event has occurred with respect to any Subsidiary, then Holding Date shall mean, with respect to such Subsidiary, the fifth anniversary of the Calculation Date with respect to such previously elected Holding Event.

"Holding Event" means, with respect to any Subsidiary, (i) the election by the Allocation Member on or after the Holding Date with respect to such Subsidiary that a Holding Event has occurred; *provided*, that the Allocation Member must make such election during the Election Period with respect to such Holding Date, or (ii) the election by the Allocation Member on or after each anniversary of any Holding Date with respect to such Subsidiary that a Holding Event has occurred; *provided*, that the Allocation Member must make such election during the Election Period with respect to such anniversary of such Holding Date.

"Independent Director" means a director who (i) (a) is not an officer or employee of the Company, or an officer, director or employee of any Subsidiary of the Company, (b) was not appointed as a director pursuant to the terms of the Management Services Agreement, and (c) for so long as the Management Services Agreement is in effect, is not affiliated with the Manager or any of its Affiliates, and (ii) who satisfies the independence requirements under the Applicable Listing Rules as determined by the Board of Directors.

"Independently Calculated Profit Distribution" has the meaning set forth in Section 5.2(d).

"Independently Calculated Profit Distribution Payment Date" means, with respect to any Calculation Date, ten (10) Business Days after the receipt by the Administrator and the Audit Committee of the calculation of Profit Distribution Amount as of such Calculation Date by the independent accounting firm in accordance with Section 5.2(d).

"Initial Board" has the meaning set forth in Section 6.1.

"Initial Director" has the meaning set forth in Section 6.1.

"Initial Public Offering" means the initial public offering of Trust Shares by the Trust, closing on the date hereof.

"Interested Shareholder" means any Person (other than the Manager, the Members, the Company or any Subsidiary of the Company, any employee benefit plan maintained by the Company or any Subsidiary thereof or any trustee or fiduciary with respect to any such plan when acting in such capacity) that:

(i) is, or was at any time within the three-year period immediately prior to the date in question, the Beneficial Owner of fifteen percent (15%) or more of the then Outstanding Trust Interests and who did not become the Beneficial Owner of such amount of Trust Interests pursuant to a transaction that was approved by the affirmative vote of a majority of the Entire Board of Directors; or

(ii) is an assignee of, or has otherwise succeeded to, any Trust Interests of which an Interested Shareholder was the Beneficial Owner at any time within the three-year period immediately prior to the date in question, if such assignment or succession occurred in the course of a transaction, or series of transactions, not involving a public offering within the meaning of the Securities Act.

For the purpose of determining whether a Person is an Interested Shareholder, the Trust Interests that may be issuable or exchangeable by the Company to the Interested Shareholder pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, warrants or options, or otherwise, shall be included, but not any other Trust Interests that may be issuable or exchangeable by the Company pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, warrants or options, or otherwise, to any Person who is not the Interested Shareholder.

"Issuance Items" has the meaning set forth in Section 4.3(g).

"Level 1 Hurdle Amount" shall be equal to, with respect to any Profit Distribution Subsidiary as of any Calculation Date, the *product* of (i) (x) 1.75% *multiplied by* (y) the number of Fiscal Quarters ending during the Measurement Period with respect to such Profit Distribution Subsidiary as of such Calculation Date, *multiplied by* (ii) such Profit Distribution Subsidiary's Average Allocated Share of Consolidated Equity for each Fiscal Quarter ending during such Measurement Period.

"Level 2 Hurdle Amount" shall be equal to, with respect to any Profit Distribution Subsidiary as of any Calculation Date, the *product* of (i) (x) 2.1875%, *multiplied by* (y) the number of Fiscal Quarters ending during the Measurement Period with respect to such Profit Distribution Subsidiary as of such Calculation Date, *multiplied by* (ii) such Profit Distribution Subsidiary's Average Allocated Share of Consolidated Equity for each Fiscal Quarter ending during such Measurement Period.

"Liquidation Period" has the meaning set forth in Section 14.7.

"Liquidator" means a Person appointed by the Board of Directors to oversee the winding up of the Company.

"LLC Interests" means, collectively, the Trust Interests and the Allocation Interests.

"Loan Expense" means, with respect to any Profit Distribution Subsidiary for any Measurement Period as of any Calculation Date, the aggregate amount of all interest or other expenses paid by such Profit Distribution Subsidiary with respect to indebtedness of such Profit Distribution Subsidiary to either the Company or other Subsidiaries of the Company with respect to such Measurement Period.

"Losses" has the meaning set forth in the definition of "***Profits***" and "***Losses***" below.

"Management Fee" means the management fee payable by the Company pursuant to the Management Services Agreement with respect to the provision of management services to the Company.

"Management Services Agreement" means the Management Services Agreement, dated as of the date hereof, as may be amended from time to time, entered into by and between the Company and the Manager.

"Manager" means Compass Group Management LLC, and any successor thereto.

"Market Value" means, as of any date, the *product* of (1) the average number of, if the Trust is in existence as of such date, Trust Shares or, if the Trust is not in existence as of such date, Trust Interests, as applicable, issued and Outstanding, other than treasury shares or treasury Trust Interests, as applicable, during the last fifteen (15) Business Days of the most recently completed Fiscal Quarter as of such date *multiplied* by (2) the volume weighted average trading price per Trust Share or per Trust Interest, as applicable, as determined by reference to the relevant securities exchange identified in clause (i) of the definition of Fair Market Value, over such fifteen (15) Business Days.

"Measurement Period" means, with respect to any Profit Distribution Subsidiary as of any Calculation Date, the period from and including the later of: (i) the date upon which the Company acquired a controlling interest in such Profit Distribution Subsidiary and (ii) the immediately preceding Calculation Date as of which Contribution-Based Profits were calculated with respect to such Profit Distribution Subsidiary and with respect to which Profit Distributions were paid (or, at the election of the Allocation Member, deferred) by the Company, up to and including such Calculation Date.

"Member" means, as of any date, any holder of Trust Interests or Allocation Interests, as of such date.

"Member Nonrecourse Debt" has the same meaning as the term "partner nonrecourse debt" in Section 1.704-2(b)(4) of the Regulations.

"Member Nonrecourse Debt Minimum Gain" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

"Member Nonrecourse Deductions" has the same meaning as the term "partner nonrecourse deductions" in Sections 1.704-2(i)(1) and 1.704-2(i)(2) of the Regulations.

"Nasdaq National Market" means the Nasdaq National Market or any successor thereto.

"Net Investment Value" means, as of any date, the *sum* of:

(i) the Market Value as of such date; *plus*

(ii) the amount of any borrowings (other than intercompany borrowings) of the Company and its Subsidiaries (but not including borrowings on behalf of any Subsidiary of such Subsidiaries) as of such date; *plus*

(iii) the value of Future Investments of the Company and/or any of its Subsidiaries other than cash or cash equivalents, as calculated by the Manager and approved by a majority of the Continuing Directors as of such date; *provided*, that such Future Investments have not been outstanding for more than two consecutive full Fiscal Quarters as of such date; *less*

(iv) the aggregate amount held by the Company and its Subsidiaries in cash or cash equivalents (but not including cash or cash equivalents held specifically for the benefit of any Subsidiary of such Subsidiaries) as of such date.

"Net Long Term Capital Gain" has the meaning set forth in Code Section 1222(7).

"Nominating and Governance Committee" means the Nominating and Governance Committee of the Board of Directors established pursuant to Section 6.18(a)(i).

"Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(b)(1) of the Regulations.

"Nonrecourse Liability" has the meaning set forth in Section 1.704-2(b)(3) of the Regulations.

"Offer Price" means, as of any Control Date, the average Closing Price per Trust Share or Trust Interest, as applicable, on the twenty (20) Business Days immediately prior to, but not including, such Control Date.

"Original Agreement" has the meaning set forth in the introductory paragraph hereof.

"Outstanding" means, as of any date, with respect to any security theretofore issued by the Company, except:

(i) such securities as represented by certificates or electronic positions evidencing such securities that have been canceled or delivered for cancellation; and

(ii) such security as represented by certificates or electronic positions that have been exchanged for or in lieu of which other securities have been executed and delivered pursuant to Section 3.5.

"Overhead" shall be equal to, with respect to the Company for any Fiscal Quarter, the *sum* of (i) that portion of the Company's operating expenses (as determined in accordance with GAAP) (without giving effect to any expense attributable to the accrual or payment of any amount of Profit Distribution or any amount arising under the Supplemental Put Agreement to the extent included in the calculation of the Company's operating expenses), including any Management Fees actually paid by the Company to the Manager, with respect to such Fiscal Quarter that are not attributable to any Subsidiary of the Company (*i.e.*, operating expenses that do not correspond to operating expenses of a Subsidiary of the Company with respect to such Fiscal Quarter), *plus* (ii) the Company's accrued interest expense (as determined in accordance with GAAP) on any outstanding Third Party Indebtedness of the Company with respect to such Fiscal Quarter, *minus* (iii) revenue, interest income and other income reflected in the Company Only Financial Statements.

*"**Over-Paid Profit Distributions**"* shall be equal to, as of any Calculation Date, the amount by which (i) the aggregate amount of Profit Distributions that were actually paid by the Company with respect to all Profit Distribution Payment Dates immediately preceding such Calculation Date, *exceeded* (ii) the aggregate amount of Profit Distributions that were actually due and payable by the Company with respect to all such Profit Distribution Payment Dates, as determined in accordance with Section 5.2; *provided*, that such amount shall not be less than zero.

"Percentage Interest" means, with respect to any Member as of any date, the ratio (expressed as a percentage) of the number of LLC Interests held by such Member on such date relative to the aggregate number of LLC Interests then Outstanding as of such date.

"Person" means any individual, company (whether general or limited), limited liability company, corporation, trust, estate, association, nominee or other entity.

"Profit Distribution" means, as of any Calculation Date, any Approved Profit Distribution as of such Calculation Date, Disputed Profit Distribution as of such Calculation Date, the Independently Calculated Profit Distribution as of such Calculation Date or the Profit Distribution Amount as of such Calculation Date, originally submitted to the Audit Committee by the Administrator pursuant to Section 5.2(c), as the case may be. For the avoidance of doubt, Profit Distribution shall also mean any portion of the foregoing payable on any applicable Profit Distribution Payment Date, including any Independently Calculated Profit Distribution Payment Date or Submission Failure Payment Date, as the case may be.

"Profit Distribution Amount" shall be equal to, with respect to any Profit Distribution Subsidiary as of any Calculation Date, the *sum* of (i) the amount by which Total Profit Allocation with respect to such Profit Distribution Subsidiary as of such Calculation Date *exceeds* such Profit Distribution Subsidiary's Level 1 Hurdle Amount as of such Calculation Date but is less than such Profit Distribution Subsidiary's Level 2 Hurdle Amount as of such Calculation Date, *plus* (ii) the *product* of (x) the amount by which Total Profit Allocation with respect to such Profit Distribution Subsidiary as of such Calculation Date *exceeds* such Profit Distribution Subsidiary's Level 2 Hurdle Amount as of such Calculation Date, *multiplied by* (y) 20%, *minus* (iii) the High Water Mark Allocation, if any, as of such Calculation Date.

"Profit Distribution Payment Date" means any Approved Profit Distribution Payment Date, as of any Calculation Date, with respect to Approved Profit Distribution, any Disputed Profit Distribution Payment Date, as of any Calculation Date, with respect to Disputed Profit Distribution, any Submission Failure Payment Date, as of any Calculation Date, with respect to Approved Profit Distribution, or any Independently Calculated Profit Distribution Payment Date, as of any Calculation Date, with respect to the Independently Calculated Profit Distribution, as the case may be.

"Profit Distribution Subsidiary" has the meaning set forth in Section 5.2(b).

"Profits" and ***"Losses"*** mean, for each Allocation Year, an amount equal to the Company's taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(i) any income of the Company that is exempt from U.S. federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of "Profits" and "Losses" shall be added to such taxable income or loss;

(ii) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits or Losses pursuant to this definition of "Profits" and "Losses" shall be subtracted from such taxable income or loss;

(iii) in the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) or (iii) of the definition of Gross Asset Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(iv) gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for U.S. federal income tax purposes shall be computed by reference to the Gross Asset Value of the Property disposed of, notwithstanding that the adjusted tax basis of such Property differs from its Gross Asset Value;

(v) to the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(vi) notwithstanding any other provision of this definition, any items which are specially allocated pursuant to Sections 4.3 or 4.4 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss or deduction available to be specially allocated pursuant to Sections 4.3 and 4.4 shall be determined by applying rules analogous to those set forth in subparagraphs (i) through (v) above.

"Property" means all real and personal property acquired by the Company, including cash, and any improvements thereto, and shall include both tangible and intangible property.

"Qualifying Trigger Event" means any Trigger Event with respect to a Profit Distribution Subsidiary (i) that gave rise to the calculation of Total Profit Allocation with respect to such Profit Distribution Subsidiary as of any Calculation Date and (ii) where the amount of Total Profit Allocation so calculated as of such Calculation Date exceeded such Profit Distribution Subsidiary's Level 2 Hurdle Amount as of such Calculation Date.

"Quarterly Allocated Share of Consolidated Equity" shall be equal to, with respect to any Profit Distribution Subsidiary for any Fiscal Quarter, the *product* of (i) the Company's Consolidated Net Equity as of the last day of such Fiscal Quarter, *multiplied by* (ii) a fraction, the numerator of which is such Profit Distribution Subsidiary's Adjusted Net Assets as of the last day of such Fiscal Quarter and the denominator of which is the *sum* of (x) the Company's Adjusted Net Assets as of the last day of such Fiscal Quarter, *minus* (y) the aggregate amount of any cash and cash equivalents as such amount is reflected on the Company's consolidated balance sheet as prepared in accordance with GAAP that is not taken into account in the calculation of any Subsidiary of the Company's Adjusted Net Assets as of the last day of such fiscal quarter.

"Quarterly Share of Company Overhead" shall be equal to, with respect to any Profit Distribution Subsidiary for any Fiscal Quarter, the *product* of (i) the absolute amount of the Company's Overhead with respect to such Fiscal Quarter, *multiplied by* (ii) a fraction, the numerator of which is such Profit Distribution Subsidiary's Adjusted Net Assets as of the last day of such Fiscal Quarter and the denominator of which is the Company's Adjusted Net Assets as the last day of such Fiscal Quarter.

"Register" has the meaning set forth in Section 3.3.

"Regular Trustees" has the meaning set forth in the Trust Agreement.

"Regulations" means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations are amended from time to time.

"Regulatory Allocations" has the meaning set forth in Section 4.4.

"Repurchase Date" has the meaning set forth in Section 3.4(b).

"Rules and Regulations" means the rules and regulations promulgated under the Exchange Act or the Securities Act.

"Sale Event" means, with respect to any Subsidiary, the sale of a material amount, as determined by the Allocation Member and consented to by a majority of the Board of Directors, such consent not to be unreasonably withheld, conditioned or delayed, of the capital stock or assets of such Subsidiary or a Subsidiary of such Subsidiary.

"Secretary" means the Secretary of the Company, with such powers and duties as set forth in Section 7.7.

"Securities Act" means the Securities Act of 1933, as amended.

"Stock Transfer Agency Agreement" means the Stock Transfer Agency Agreement, dated as of the date hereof, as may be amended from time to time, entered into by and between the Company and The Bank of New York, Inc. or any successor(s) thereto.

"Submission Date" has the meaning set forth in Section 5.2(d).

"Submission Failure Payment Date" means, with respect to any Calculation Date, ten (10) Business Date after the Submission Date with respect to such Calculation Date.

"Subsidiary" means, with respect to any Person, any corporation, company, joint venture, limited liability company, association or other Person in which such Person owns, directly or indirectly, more than 50% of the Outstanding equity securities or interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such Person.

"Supplemental Put Agreement" means the Supplemental Put Agreement, dated as of the date hereof, as may be amended from time to time, entered into by and between the Company and the Allocation Member.

"Tax Distribution" has the meaning set forth in Section 5.2(h).

"Tax Distribution Payment Date" has the meaning set forth in Section 5.2(h).

"Tax Matters Member" has the meaning set forth in Section 11.4(a).

"Third Party Indebtedness" means, with respect to any Person, indebtedness of such Person owed to any third party lenders that are not Affiliated with such Person.

"Total Profit Allocation" shall be equal to, with respect to any Profit Distribution Subsidiary as of any Calculation Date, the *sum* of (i) the Contribution-Based Profits of such

Profit Distribution Subsidiary for the Measurement Period with respect to such Profit Distribution Subsidiary as of such Calculation Date, *plus* (ii) if the Trigger Event underlying the calculation of Total Profit Allocation as of such Calculation Date is a Sale Event, the Company's Cumulative Gains and Losses as of such Calculation Date.

"Transaction Documents" means the Management Services Agreements, the Trust Agreement, the Supplemental Put Agreement, the Credit Agreement, the Underwriting Agreement, the Stock Transfer Agency Agreement, the Escrow Agreement and all documents and certificates contemplated thereby or delivered in connection therewith.

"Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge or hypothecation or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge or hypothecate or otherwise dispose of.

"Transfer Agent" means, with respect to the Trust Shares and the LLC Interests, The Bank of New York, Inc., or any successor(s) thereto.

"Trigger Event" means, with respect to any Subsidiary, the occurrence of either a Sale Event or a Holding Event with respect to such Subsidiary.

"Trust" means Compass Diversified Trust, a Delaware statutory trust.

"Trust Agreement" means the Amended and Restated Trust Agreement, dated as of the date hereof, entered into by and among the Company and The Bank of New York (Delaware), a Delaware banking corporation, as property trustee, and the Regular Trustees.

"Trust Interests" means the limited liability company interests in the Company designated under the Original Agreement as the "Class A Interests" and redesignated herein as "Trust Interests", as authorized pursuant to Section 3.1(a), and having the rights provided herein.

"Trust Interest Certificates" means a certificate representing Trust Interests substantially in the form attached hereto as Exhibit A.

"Trust Member" means any holder of a Trust Interest, in its capacity as a Member.

"Trust Shares" means the shares of the Trust, each representing one undivided beneficial interest in the assets of the Trust.

"Under-Paid Profit Distributions" shall be equal to, as of any Calculation Date, the amount by which (i) the aggregate amount of Profit Distributions that were actually due and payable by the Company with respect to all Profit Distribution Payment Dates immediately preceding such Calculation Date, as determined in accordance with Section 5.2 *exceeded* (ii) the aggregate amount of Profit Distributions that were actually paid by the Company with respect to all such Profit Distribution Payment Dates; *provided*, that such amount shall not be less than zero.

"Underwriting Agreement" means the Underwriting Agreement, dated as of the date hereof, entered into by and among the Company, the Trust, the Manager, Ferris, Baker Watts, Incorporated, and the other parties thereto.

"Voluntary Exchange" has the meaning set forth in the Trust Agreement.

ARTICLE 2

THE TRUST

Section 2.1 Trust to Be Sole Holder of Trust Interests. The Company shall issue Trust Interests to the Trust as the initial Trust Member, and the Trust shall be admitted to the Company as a Member of the Company in respect thereof upon its execution of a counterpart of this Agreement. For so long as the Trust remains in existence, subject to Sections 2.3 and 2.4(a), it is intended that the Trust shall be the sole Trust Member and the sole owner of one hundred percent (100%) of the Trust Interests, and, during such period, the Company shall not issue, sell or otherwise transfer any of its Trust Interests to any Person other than the Trust. Each Trust Member agrees with the Company to be bound by the terms of this Agreement.

Section 2.2 Trust Shares to Represent Trust Interests. Each Trust Share represents one undivided beneficial interest in the assets of the Trust, which assets consist of the underlying Trust Interests.

Section 2.3 Voluntary Exchange of Trust Shares for Trust Interests. The Company, acting through its Board of Directors, shall take all actions and do all things necessary to give effect to a Voluntary Exchange on the terms and conditions set forth in Section 9.2 of the Trust Agreement.

Section 2.4 Acquisition Exchange of Trust Shares for Trust Interests.

(a) Right to Acquisition Exchange. The Company, acting through its Board of Directors, shall take all actions and do all things necessary to give effect to an Acquisition Exchange on the terms and conditions set forth in Section 9.3 of the Trust Agreement.

(b) Right to Acquire Trust Interests of Remaining Holders for Cash. Following the completion of an Acquisition Exchange, the Acquirer shall have the right to purchase, solely for cash, and Members other than the Acquirer shall be required to sell, all, but not less than all, of the Outstanding Trust Interests not then held by the Acquirer, at the Offer Price. The Acquirer may exercise its right to effect such purchase by delivering written notice to the Company and the Transfer Agent of its election to make the purchase not less than sixty (60) days prior to the Control Date. Promptly after receipt of such notice, the Board of Directors shall declare a record date. The Company will cause the Transfer Agent to mail a copy of such notice to the Trust Members at least thirty (30) days prior to such Control Date.

Section 2.5 Right of Holders of Trust Shares and Members to Enforce Provisions of this Agreement and Bring Derivative Action.

(a) The Allocation Member, individually, and any other Member or Members holding, in the aggregate, at least ten percent (10%) of the Outstanding Trust Interests, shall have the right to institute any legal proceeding against the Company to enforce the provisions of this Agreement, and to the fullest extent permitted by applicable law, no other Member or Members shall have the right to institute any legal proceeding against the Company to enforce the provisions of this Agreement.

(b) For so long as the Trust remains the sole holder of Trust Interests, holders of at least ten percent (10%) of the Outstanding Trust Shares shall have the right to cause the Trust to institute any legal proceeding for any remedy available to the Trust, as a holder of Trust Interests and, to the extent permitted by applicable law, such holders of Trust Shares may direct the time, method and place of conducting any such legal proceeding brought by the Trust. For so long as the Trust remains the sole holder of Trust Interests, holders of record of at least ten percent (10%) of the Outstanding Trust Shares shall also have the right to institute directly against the Company any legal proceeding available to the Trust against the Company to enforce the provisions of this Agreement. Solely for purposes of this Section 2.5(b) and only to the extent provided herein, the holders of the Outstanding Trust Shares shall be deemed to be third-party beneficiaries of this Agreement to the same extent as if they were signatories hereto.

(c) Except as expressly provided in this Agreement, nothing in this Agreement shall be deemed to give to any Person any benefit or any legal or equitable right, remedy or claim under this Agreement.

Section 2.6 Reimbursement of Regular Trustees. The Company shall reimburse the Regular Trustees for any expenses, out-of-pocket or otherwise, incurred on behalf of the Trust or otherwise in connection with performing any of their duties or obligations under the Trust Agreement.

ARTICLE 3

CLASSES AND ISSUANCE OF LLC INTERESTS; TRANSFER

Section 3.1 LLC Interests. The Company shall be authorized to issue two classes of limited liability company interests to the Members: Trust Interests and Allocation Interests as provided in Sections 3.1(a) and (b).

(a) Trust Interests.

(i) Generally. The Company, and the Board of Directors by resolution on behalf of the Company, shall initially be authorized to issue up to five hundred million (500,000,000) Trust Interests in one or more series and, for so long as the Trust remains the sole holder of Trust Interests, shall cause to be issued to the Trust, as of any date, the identical number of Trust Interests as the number of Trust Shares that are issued and Outstanding. The aggregate number of Trust Interests that are authorized may be increased from time to time by an amendment to this Agreement upon the adoption of a resolution by the affirmative vote of at least a majority of the Entire Board of Directors declaring such amendment to be advisable and the approval of such amendment by the

affirmative vote of the holders of a majority of the Trust Interests then Outstanding present in person or represented by proxy at a meeting of the Members. Each Member holding a Trust Interest shall have all the rights, privileges and obligations set forth herein pertaining to holders of Trust Interests, and shall have one vote per Trust Interest in accordance with the terms of this Agreement. The Trust Interests shall be certificated in the form of a Trust Interest Certificate or represented by electronic book-entry position.

(ii) Restrictions on Transfer of Trust Interests. Except as otherwise provided in Article 2, the Trust to the fullest extent permitted by law shall not be permitted to transfer, and the Company shall not recognize any purported transfer of, nor in any respect treat any purported transferee as the owner of, any Trust Interests held by the Trust.

(b) Allocation Interests.

(i) Generally. The Company is authorized to issue one thousand (1,000) Allocation Interests. As of the date hereof, all one thousand (1,000) Allocation Interests have been or are hereby issued to the Allocation Member. One hundred percent (100%) of the Allocation Interests shall be issued to the Manager. Each Member holding an Allocation Interest shall have all the rights, privileges and obligations set forth herein pertaining to holders of Allocation Interests. The Allocation Interests shall be certificated in the form of an Allocation Interest Certificate. The holders of Allocation Interests shall not be entitled to vote with respect to any issue relating to the Company notwithstanding the Act or other applicable law, except as provided in Article 10 (in which case, the holders of Allocation Interests shall have one vote per Allocation Interest). For the avoidance of doubt, the parties intend that the Manager not be a "manager" within the meaning of Section 18-402 of the Act.

(ii) Restrictions on Transfer of Allocation Interests. Until such time as the Management Services Agreement is terminated, the Manager (or any Allocation Member holding Allocation Interests in accordance with this Section 3.1(b)) to the fullest extent permitted by law shall not be permitted to transfer, and the Company shall not recognize any purported transfer of, nor in any respect treat any purported transferee as the owner of, any Allocation Interests held by the Manager; *provided*, that any Allocation Member may transfer Allocation Interests to any Affiliate of the Manager, and any Allocation Interests so transferred shall remain subject to the restrictions of this Section 3.1(b)(i) in the hands of such permitted transferee.

Section 3.2 Issuance of Additional Trust Interests. For so long as the Trust remains the sole holder of Trust Interests, (a) the Board of Directors shall have authority to issue to the Trust, from time to time without any vote or other action by the Members, in one or more series, any or all Trust Interests of the Company at any time authorized, and (b) the Company will issue additional Trust Interests**,** in one or more series to the Trust in exchange for an equal number of Trust Shares which the Company may sell or distribute in any manner, subject to applicable law, that the Board of Directors in its sole discretion deems appropriate and advisable.

Section 3.3 Trust Interest Certificates; Admission of Additional Members. The Trust Interest Certificates shall be conclusive evidence of ownership of the related Trust Interests, and every holder of record of Trust Interests of the Company shall be entitled to one or more Trust Interest Certificates representing the number of Trust Interests held by such holder of record. Any Trust Interest Certificates of the Company to be issued shall be issued under the seal of the Company, or a facsimile thereof, and shall be numbered and shall be entered in the books of the Company as they are issued. If and when issued, each Trust Interest Certificate shall bear a serial number, shall exhibit the holder's name and the number of Trust Interests evidenced thereby and shall be signed by the Chief Executive Officer or the Chief Financial Officer. Any or all of the signatures on the Trust Interest Certificates may be facsimiles. If any officer or Transfer Agent who has signed or whose facsimile signature has been placed upon a Trust Interest Certificate shall have ceased to be such officer or Transfer Agent before such Trust Interest Certificate is issued, the Trust Interest Certificate may be issued by the Company with the same effect as if such Person or entity were such officer or Transfer Agent at the date of issue. From the time of the closing of the Initial Public Offering, the Company shall retain the Transfer Agent to maintain a register of the Trust Interests (the "***Register***"), the Transfer Agent, in such capacity shall be known as the Registrar, and cause such Registrar to register thereon any transfer of Trust Interest Certificates. Transfer of Trust Interests of the Company shall be made on the Register only upon surrender to the Transfer Agent of the Trust Interest Certificates duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer; *provided*, *however*, that such succession, assignment or transfer is not prohibited by the Trust Interest Certificates, this Agreement, applicable law or contract. Thereupon, the Company shall issue a new Trust Interest Certificate (if requested) to the Person entitled thereto, cancel the old Trust Interest Certificate, and shall instruct the Registrar to record the transaction upon the Register.

Section 3.4 Repurchase of Trust Interests by the Company.

(a) The Board of Directors shall have authority to cause the Company to conduct a capital reduction, including the repurchase of any number of issued and Outstanding Trust Interests; *provided*, *however*, that the Company shall not purchase or redeem its Trust Interests for cash or other property if any such purchase or redemption would be inconsistent with the requirements of Section 18-607 or Section 18-804 of the Act; *provided*, *further*, that so long as the Trust remains the sole holder of Trust Interests, the Company, as sponsor of the Trust, acting through its Board of Directors, shall cause the Trust to conduct a capital reduction on similar terms and shall ensure that an identical number of Trust Interests and Trust Shares are issued and Outstanding at any one time.

(b) In the event the Board of Directors determines that the Company shall make an offer to repurchase any number of issued and Outstanding Trust Interests, the Board of Directors shall deliver to the Transfer Agent notice of such offer to repurchase indicating the repurchase price and the date of repurchase (the "***Repurchase Date***") and shall cause the Transfer Agent to mail a copy of such notice to the Members and holders of Trust Shares, as the case may be, at least thirty (30) days prior to the Repurchase Date. Any Trust Interests tendered and repurchased by the Company, in accordance with this Section 3.4, shall be deemed to be authorized and issued, but not Outstanding and, subject to Section 2.1, may subsequently be sold or Transferred for due consideration.

Section 3.5 Mutilated, Lost, Destroyed or Stolen Certificates. Each holder of record of Trust Interests and Allocation Interests shall promptly notify the Company of any mutilation, loss or destruction of any certificate of which such holder is the record holder. The Company may, in its discretion, cause the Transfer Agent to issue a new certificate in place of any certificate theretofore issued by it and alleged to have been mutilated, lost, stolen or destroyed, upon surrender of the mutilated Share certificate or, in the case of loss, theft or destruction of the certificate, upon satisfactory proof of such loss, theft or destruction, and the Board of Directors may, in its discretion, require the holder of record of the Trust Interests or Allocation Interests evidenced by the lost, stolen or destroyed certificate, or his legal representative, to give the Transfer Agent a bond sufficient to indemnify the Transfer Agent against any claim made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE 4

ALLOCATIONS

Section 4.1 General Application. The rules set forth below in this Article 4 shall apply for the purposes of determining each Member's allocable share of the items of income, gain, loss and expense of the Company comprising Profits or Losses of the Company for each Allocation Year, determining special allocations of other items of income, gain, loss and expense, and adjusting the balance of each Member's Capital Account to reflect the aforementioned general and special allocations. For each Allocation Year, the special allocations in Section 4.3 shall be made immediately prior to the general allocations of Section 4.2.

Section 4.2 Allocations of Profits and Losses.

(a) Special Allocations Following Capital Gain Transactions. If the Company has a Sale Event during the Allocation Year, any Company Net Long Term Capital Gain shall be allocated:

(i) First to the Allocation Member to the extent of any amounts payable to the Allocation Member with respect to the Allocation Year pursuant to Section 5.2, and

(ii) The balance of such Net Long Term Capital Gain shall be allocated among the Members in accordance with the general allocation of Profits or Losses for such year, as provided in Section 4.2(b) or (c).

(b) Allocation of Profit. If the Company has Profits during the Allocation Year, after excluding the amount of any Net Long Term Capital Gain allocated to the Allocation Member pursuant to Section 4.2(a), such Profits (as so reduced) shall be allocated:

(i) First to the Allocation Member to the extent of the any amounts payable to the Allocation Member with respect to the Allocation Year pursuant to Section 5.2, but without duplicating any allocations of Net Long Term Capital Gain to the Allocation Member for such Allocation Year pursuant to Section 4.2(a), and

(ii) The balance to the Members in accordance with their Percentage Interests.

(c) Allocation of Losses. If the Company has Losses during the Allocation Year, after excluding the amount of any Net Long Term Capital Gain allocated to the Allocation Member pursuant to Section 4.2(a), such Losses (as so increased) shall be allocated, subject to the limitations of Section 4.5:

(i) First to the Members in accordance with their Percentage Interests, up to, but not exceeding, the amount that would cause the Capital Account of any Member to be a negative number; and

(ii) The balance, if any, shall be allocated among the Trust Members in accordance with their Percentage Interests.

(d) Character of Allocations. Allocations to Members of Profits or Losses pursuant to Sections 4.2(b) and 4.2(c) shall consist of a proportionate share of each Company item of income, gain, expense and loss entering into the computation of Profits or Losses for such Allocation Year (other than the portion of each Net Long Term Capital Gain that is specially allocated to the Allocation Member pursuant to Section 4.2(a)).

Section 4.3 Special Allocations. The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Regulations, notwithstanding any other provision of this Article 4, if there is a net decrease in Company Minimum Gain during any Allocation Year, each Member shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g) and (h). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and 1.704-2(j)(2) of the Regulations. This Section 4.3(a) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Regulations and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Article 4, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Allocation Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations, shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be

allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and 1.704-2(j)(2) of the Regulations. This Section 4.3(b) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i)(4) of the Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of the Member as quickly as possible; *provided*, that an allocation pursuant to this Section 4.3(c) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 4 have been tentatively made as if this Section 4.3(c) were not in this Agreement.

(d) Nonrecourse Deductions. Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Members in the manner elected by the Tax Matters Member in conformity with the provisions of Regulations 1.704-2, and in the absence of such an election, to the Trust Members in proportion to their respective Percentage Interests.

(e) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(f) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset, pursuant to Code Section 734(b) or Code Section 743(b), is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member's interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies or to the Member to whom such distribution was made in the event Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(g) Allocations Relating to Taxable Issuance of Company LLC Interests. Any income, gain, loss or deduction realized as a direct or indirect result of the issuance of LLC Interests by the Company to a Member (the ***"Issuance Items"***) shall be allocated among the Members (the Trust Members and Allocation Members) so that, to the extent possible, the net amount of such Issuance Items, together with all other allocations made under this Agreement to each Member, shall be equal to the net amount that would have been allocated to each such Member if the Issuance Items had not been realized.

Section 4.4 Curative Allocations. The allocations set forth in Sections 4.3(a), 4.3(b), 4.3(c), 4.3(d), 4.3(e), 4.3(f), 4.3(g) and 4.5 (the ***"Regulatory Allocations"***) are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the

extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 4.4. Therefore, notwithstanding any other provision of this Article 4 (other than the Regulatory Allocations), the Board of Directors shall make such offsetting special allocations of Company income, gain, loss or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of this Agreement and all Company items were allocated pursuant to Sections 4.1, 4.2 and 4.3(h).

Section 4.5 Loss Limitation. Losses allocated pursuant to Section 4.2 shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 4.2, the limitation set forth in this Section 4.5 shall be applied on a Member-by-Member basis, and Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Members' Capital Accounts so as to allocate the maximum permissible Losses to each Member under Section 1.704-1(b)(2)(ii)(d) of the Regulations.

Section 4.6 Other Allocation Rules.

(a) For purposes of determining the Profits and Losses or any other items allocable to any period, Profits, Losses, and any other such items shall be determined on a monthly or other basis, as determined by the Company using any method permissible under Code Section 706 and the Regulations thereunder.

(b) The Members are aware of the income tax consequences of the allocations made by this Article 4 and hereby agree to be bound by the provisions of this Article 4 in reporting their shares of Company income and loss for income tax purposes.

(c) Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3(a)(3), the Member's interests in Company profits are in proportion to their Percentage Interests.

(d) To the extent permitted by Section 1.704-2(h)(3) of the Regulations, the Manager shall endeavor to treat distributions as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Member.

(e) To the extent the Tax Matters Member determines, in consultation with the Company's tax advisors, that any distribution pursuant to Article 5 to a Member hereunder (or portion of such distribution) would more properly be characterized as a payment described in Code Section 707(a) or 707(c), such payment may be so characterized in the Company's tax filings, and in such event, shall be taken into account for federal income tax purposes as an

expense of the Company, and not as an allocation of income to a Member affecting such Member's Capital Account.

Section 4.7 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any Property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for U.S. federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of Gross Asset Value) using a method, selected in the discretion of the Board of Directors in accordance with Section 1.704-3 of the Regulations.

In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for U.S. federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Board of Directors in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 4.7 are solely for purposes of U.S. federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

ARTICLE 5

DISTRIBUTIONS

Section 5.1 Distributions to Members. Except as otherwise provided in Section 5.3 and Article 14, the Board of Directors may, in its sole discretion and at any time, declare and pay distributions with respect to the LLC Interests to the Members, as of any record date established by the Board of Directors with respect to such distributions, from Cash Available for Distribution to all Members in proportion to their Percentage Interests.

Section 5.2 Distributions to the Allocation Member.

(a) In General. Except as otherwise provided in Section 5.3 and Article 14 and subject to the other terms and conditions set forth in this Section 5.2, for so long as the Allocation Interests are Outstanding (i) the Administrator shall calculate (x) the Profit Distribution Amount, and the components thereof, in accordance with Section 5.2(b) and (y) Tax Distributions, and the components thereof, in accordance with Section 5.2(i) and (ii) the Company shall pay (x) Profit Distributions in accordance with Section 5.2(e) and (y) Tax Distributions in accordance with Section 5.2(h).

(b) Calculation of Profit Distribution Amount Upon Trigger Event. Subject to Section 5.2(g), upon the occurrence of a Trigger Event with respect to any Subsidiary (the

"***Profit Distribution Subsidiary***"), the Administrator, as of the relevant Calculation Date with respect to such Trigger Event, shall:

(i) calculate, on or promptly following such Calculation Date, the Profit Distribution Amount with respect to such Profit Distribution Subsidiary as of such Calculation Date; and

(ii) adjust such Profit Distribution Amount (as adjusted, the ***"Adjusted Profit Distribution Amount"***) so calculated, on a dollar-for-dollar basis, by:

(A) *reducing* such Profit Distribution Amount by the aggregate amount of any Over-Paid Profit Distributions, if any, existing as of such Calculation Date;

(B) *increasing* such Profit Distribution Amount by the aggregate amount of any Under-Paid Profit Distributions, if any, existing as of such Calculation Date; and

(C) *reducing* such Profit Distribution Amount by the aggregate amount of any Tax Distributions, if any, that were previously received by the Allocation Member on any Tax Distribution Payment Date prior to such Calculation Date, to the extent such amount of Tax Distributions have not been previously applied towards a reduction of Profit Distribution Amount in accordance with this Section 5.2(b).

If more than one Trigger Event takes place during any Fiscal Quarter which would cause the calculation of the Profit Distribution Amount with respect to more than one Profit Distribution Subsidiary as of the Calculation Date with respect to such Trigger Event, then the Profit Distribution Amount shall be calculated under this Section 5.2(b) with respect to each Profit Distribution Subsidiary separately and in the order in which controlling interest in each such Profit Distribution Subsidiary was acquired or otherwise obtained by the Company, and the resulting amounts so calculated shall be aggregated to determine the total amount of the Profit Distribution Amount as of such Calculation Date for any purpose hereunder; *provided*, that if controlling interest in such Profit Distribution Subsidiaries was acquired or otherwise obtained at the same time, then the Profit Distribution Amount shall be further calculated under this Section 5.2(b) with respect to each Profit Distribution Subsidiary separately and in the order in which each such Profit Distribution Subsidiary was sold.

(c) Approval of Profit Distributions. The Administrator shall promptly submit in writing any calculation of the Adjusted Profit Distribution Amount to the Audit Committee, in sufficient detail to permit a prompt review and approval by the Audit Committee. Any calculation of the Adjusted Profit Distribution Amount so submitted by the Administrator shall be deemed automatically approved by the Audit Committee ten (10) Business Days after the date submitted by the Administrator (such approved Adjusted Profit Distribution Amount, as well as any amounts deemed to be Approved Profit Distributions pursuant to Sections 5.2(c) or 5.2(d)), the "***Approved Profit Distribution***"); *provided*, that if the Audit Committee, by resolution, disapproves of the calculation of such Adjusted Profit Distribution Amount submitted to it by the Administrator within such ten (10) Business Days, then, within ten (10) Business Days after the date of such resolution of disapproval, the Audit Committee shall recalculate, or cause the recalculation of, such Adjusted Profit Distribution Amount as of the relevant Calculation Date in accordance with this Section 5.2 (such recalculated Adjusted Profit

Distribution Amount, the "***Disputed Profit Distribution***") and present in writing its calculation of the Disputed Profit Distribution to the Administrator in sufficient detail to permit a prompt review by the Administrator (such date of presentation, the "***Disputed Profit Distribution Date***"); *provided*, *further*, that if the Audit Committee fails to present such a calculation of Disputed Profit Distribution to the Administrator by the tenth (10th) Business Day after the date it disapproves of the calculation of Adjusted Profit Distribution Amount submitted to it by the Administrator, then the calculation of the Adjusted Profit Distribution Amount originally submitted to the Audit Committee by the Administrator shall be deemed an Approved Profit Distribution on such tenth (10th) Business Day.

(d) Independent Accounting Firm. The Administrator shall have ten (10) Business Days to review the Audit Committee's calculation of any Disputed Profit Distribution presented to it pursuant to Section 5.2(c), and if the Administrator disagrees with such calculation, then the Administrator shall have the right, pursuant to a written notice that must be delivered during such ten (10) Business Day period, to direct the Audit Committee to engage, at the Company's cost and expense, an independent accounting firm to calculate the Adjusted Profit Distribution Amount as of the relevant Calculation Date in accordance with this Section 5.2. Such notice from the Administrator shall state any points of disagreement with the Audit Committee's calculation and shall designate no fewer than three independent accounting firms to calculate the Adjusted Profit Distribution Amount. The Audit Committee shall engage one of the designated independent accounting firms within ten (10) Business Days. If the Audit Committee fails to engage one of the designated independent accounting firms within ten (10) Business Days, then the calculation of the Adjusted Profit Distribution Amount originally submitted to the Audit Committee by the Administrator pursuant to Section 5.2(c) shall be deemed an Approved Profit Distribution. The Audit Committee shall direct the designated independent accounting firm to deliver its calculation of the Adjusted Profit Distribution Amount, calculated in accordance with this Section 5.2 (as calculated, the "***Independently Calculated Profit Distribution***"), within twenty (20) Business Days of its engagement (the ***"Submission Date"***) to both the Administrator and the Audit Committee at the same time. If the independent accounting firm so engaged fails to deliver its calculation of the Adjusted Profit Distribution Amount within the time required hereby, then the calculation of the Adjusted Profit Distribution Amount originally submitted to the Audit Committee by the Administrator pursuant to Section 5.2(c) shall be deemed an Approved Profit Distribution. In making its calculation of the Adjusted Profit Distribution Amount, the independent accounting firm shall (i) review and consider any documentation submitted by the Administrator and the Audit Committee in support of their respective calculations of the Adjusted Profit Distribution Amount, and (ii) be based on the most recently available consolidated financial statements of the Company and its Subsidiaries (audited or unaudited). The Independently Calculated Profit Distribution shall be final, conclusive and binding on the Administrator, the Audit Committee, the Company and the Allocation Member.

(e) Payment of Profit Distributions. Subject to 5.2(l), the Company shall pay, on the applicable Profit Distribution Payment Date with respect to any Calculation Date, Profit Distribution in the following manner:

(i) *First*, one of the following amounts of Profit Distribution:

(A) if the calculation of the Adjusted Profit Distribution Amount as of such Calculation Date submitted by the Administrator to the Audit Committee is deemed approved in accordance with Section 5.2(c) or 5.2(d), then the Company shall pay to the Allocation Member on the Approved Profit Distribution Payment Date an amount equal to the Approved Profit Distribution as of such Calculation Date, or

(B) if (x) the calculation of the Adjusted Profit Distribution Amount as of such Calculation Date submitted by the Administrator to the Audit Committee is disapproved by the Audit Committee and recalculated by the Audit Committee and (y) the Administrator does not disagree with such calculation of Disputed Profit Distribution pursuant to Section 5.2(d), then the Company shall pay to the Allocation Member on the Disputed Profit Distribution Payment Date an amount equal to the Disputed Profit Distribution as of such Calculation Date; or

(C) if (x) the calculation of the Adjusted Profit Distribution Amount as of such Calculation Date submitted by the Administrator to the Audit Committee is disapproved by the Audit Committee and recalculated by the Audit Committee and (y) the Administrator disagrees with such calculation of Disputed Profit Distribution and directs the Audit Committee to engage an independent accounting firm pursuant to Section 5.2(d) and the Audit Committee engages such independent accounting firm, then the Company shall pay to the Allocation Member on the Disputed Profit Distribution Payment Date the *lesser* of an amount equal to (A) the Profit Distribution Amount, as of such Calculation Date, originally submitted to the Audit Committee by the Administrator pursuant to Section 5.2(c), and (B) the Disputed Profit Distribution as of the relevant Calculation Date; and

(ii) *Second*, one of the following amounts of Profit Distribution:

(A) if an independent accounting firm delivers its Independently Calculated Profit Distribution as of such Calculation Date to the Administrator and the Audit Committee in accordance with Section 5.2(d), then the Company shall pay to the Allocation Member on the Independently Calculated Profit Distribution Payment Date an amount equal to the amount by which (x) the Independently Calculated Profit Distribution as of such Calculation Date *exceeds* (y) the amount of Profit Distribution, as the case may be and as of such Calculation Date, paid by the Company in accordance with Section 5.2(e)(i)(C), or

(B) if (x) an independent accounting firm fails to delivers its calculation of Adjusted Profit Distribution Amount as of such Calculation Date to the Administrator and the Audit Committee in accordance with Section 5.2(d) and (y) the Profit Distribution Amount originally submitted to the Audit Committee by the Administrator pursuant to Section 5.2(c) is greater than the Disputed Profit Distribution, then the Company shall pay to the Allocation Member on the Submission Failure Payment Date, the amount by which Approved Profit Distribution as of such Calculation Date *exceeds* (y) the amount of Profit Distribution, as the case may be and as of such Calculation Date, paid by the Company in accordance with Section 5.2(e)(i)(C).

Any Profit Distributions will be due and payable on the applicable Profit Distribution Payment Date by the Company, in arrears, in immediately available funds by wire transfer to an account designated by the Allocation Member from time to time.

(f) Reserved.

(g) True-Up and Review of Profit Distributions. The calculation to be made by any Person hereunder of any Profit Distribution or Adjusted Profit Distribution Amount, in each case, as of any Calculation Date, shall be based on, in the following order (i) audited consolidated financial statements to the extent available with respect to any Person underlying such calculation of Profit Distribution, (ii) if audited consolidated financial statements are not available with respect to such Person, then unaudited consolidated financial statements to the extent available with respect to such Person, and (iii) if neither audited nor unaudited consolidated financial statements are available with respect to such Person, then the books and records of such Person then available; *provided*, that, with respect to any calculation of the Profit Distribution based on the books and records of any Person related to such calculation of Profit Distribution, upon availability of, in the first instance, audited consolidated financial statements with respect to such Person or, in the second instance, unaudited consolidated financial statements with respect to such Person, in each case, relating to amounts previously calculated on such Calculation Date by reference to the books and records of such relevant Person, the Profit Distribution Amount, and any components thereof, as of such Calculation Date shall be recalculated to determine if any Over-Paid Profit Distributions or Under-Paid Profit Distributions were created as of such Calculation Date. In making any determination under this Section 5.2 with respect to any individual calculation of the Profit Distribution Amount or Adjusted Profit Distribution Amount, in each case, as of any Calculation Date, such determination shall be based on only one of the following, in the following order, with respect to such calculation of Profit Distribution Amount or Adjusted Profit Distribution Amount, as the case may be: (x) the Independently Calculated Profit Distribution calculated as of such Calculation Date, (y) if no Independently Calculated Profit Distribution was calculated as of such Calculation Date, the Approved Profit Distribution as of such Calculation Date, and (z) if no Approved Profit Distribution or Independently Calculated Profit Distribution, in each case, was calculated as of such Calculation Date (i.e., if the Profit Distribution Amount calculated by the Administrator as of such Calculation Date was not approved by the Audit Committee, automatically or otherwise, or the Administrator did not disagree with the Audit Committee's calculated of Disputed Profit Distribution as of such Calculation Date), the Disputed Profit Distribution as calculated as of the Calculation Date.

(h) Payment of Tax Distributions. With respect to any calendar year in which the Allocation Member shall be allocated income pursuant to Article 4, but with respect to which the Allocation Member has not, prior to April 15 of the following year, received Profit Distributions from the Company pursuant to Section 5.2(e) in amounts at least equal to the Allocation Member's tax liability arising from allocations of income hereunder to the Allocation Member with respect to such calendar year, the Company shall make a distribution to the Allocation Member in an amount calculated in accordance with Section 5.2(i) (the "***Tax Distribution***") by April 15 of such following year (such date of payment, the "***Tax Distribution Payment Date***").

(i) Calculation of Tax Distributions. The amount of Tax Distributions to be paid on any Tax Distribution Payment Date pursuant to Section 5.2(h) shall be calculated as if the items of income, gain, deduction, loss and credit in respect of the Company were the only such items entering into the computation of tax liability of the Allocation Member for the calendar year and as if the Allocation Member were subject to tax at the highest marginal effective rate of Federal, state and local income tax applicable to an individual resident in New York City, taking account of any difference in rates applicable to ordinary income and long terms capital gains and any allowable deductions in respect of such state and local taxes in computing the Allocation Member's liability for Federal income taxes.

(j) Books and Records. The Administrator shall maintain cumulative books and records with respect to the details of any calculations made pursuant to this Section 5.2, which records shall be available for inspection and reproduction at any time upon request by the Board of Directors and the Allocation Member.

(k) Sufficient Liquidity. If the Company does not have sufficient liquid assets to pay the entire amount of Profit Distributions and/or Tax Distributions, including any accrued and unpaid Profit Distributions and/or Tax Distribution to date, on any applicable Profit Distribution Date, the Company shall liquidate assets or incur indebtedness in order to pay such Profit Distribution and/or Tax Distribution, as the case may be, in full on such Profit Distribution Payment Date; *provided*, that the Allocation Member may elect, in its sole discretion, on such Profit Distribution Payment Date and/or Tax Distribution Payment Date, as the case may be, to allow the Company to defer the payment of all or any portion of the Profit Distribution and/or Tax Distribution, as the case may be, then accrued and unpaid until the next succeeding Profit Distribution Payment Date or Tax Distribution Payment Date, as the case may be, and, thereby, enable to the Company to avoid such liquidation or incurrence. For the avoidance of doubt, the Allocation Member may make such election to allow the Company to defer the payment of the Profit Distributions and/or Tax Distributions more than once.

(l) Distribution Entitlement. The Allocation Member shall have the right to elect, in its sole discretion, on any applicable Profit Distribution Payment Date to defer payment by the Company of all or any portion of the amount of Profit Distribution payable by the Company in accordance with Section 5.2(e) on such Profit Distribution Payment Date. Such election shall become effective upon the delivery of a written notice to the Company indicating the amount of Profit Distribution that the Allocation Member is electing to defer (such amount, the "***Distribution Entitlement***"). Once deferred, the Company shall pay, on twenty (20) Business Days prior written notice delivered by the Allocation Member and received by the Company (the "***Distribution Entitlement Notice***"), all or any portion of the Distribution Entitlement Amount as designated by the Allocation Member in the Distribution Entitlement Notice (the "***Distribution Entitlement Payment***") on the date specified in the Distribution Entitlement Notice (the "***Distribution Entitlement Payment Date***"). Any Distribution Entitlement Notice delivered by the Allocation Member pursuant to this Section 5.2(l) shall specify (i) the Distribution Entitlement Amount as of the date of such Distribution Entitlement Notice, (ii) the calculation of the Distribution Entitlement Amount, (iii) the portion of the Distribution Entitlement that the Allocation Member is electing to receive, and (iv) the Distribution Entitlement Payment Date with respect to the amount so elected to be received by the Allocation Member.

Section 5.3 Amounts Withheld. All amounts withheld pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, dividend or other distribution or allocation to the Company or the Members shall be treated as amounts paid to the Members with respect to which such amounts were withheld pursuant to this Section 5.3 for all purposes under this Agreement. The Company is authorized to withhold from payments or with respect to allocations to the Members, and to pay over to any U.S. federal, state and local government or any foreign government, any amounts required to be so withheld pursuant to the Code or any provisions of any other U.S. federal, state or local law or any foreign law, and shall allocate any such amounts to the Members with respect to which such amounts were withheld. For so long as the Trust is the sole Trust Member, all amounts withheld in accordance with this Section 5.3 will be treated as amounts paid to holders of the Trust Shares and any such amounts shall be allocated to the holders of the Trust Shares in the same proportion as any such allocations were made per Trust Interest.

Section 5.4 Limitations on Dividends and Distributions.

(a) The Company shall pay no distributions to the Members except as provided in this Article 5 and Article 14.

(b) A Member may not receive, and the Company, and Board of Directors on behalf of the Company may not make, distributions from the Company to the extent such distribution is inconsistent with, or in violation of, the Act or any provision of this Agreement.

ARTICLE 6

BOARD OF DIRECTORS

Section 6.1 Initial Board. The Board of Directors is comprised of the seven following individuals: I. Joseph Massoud, C. Sean Day, James J. Bottiglieri, D. Eugene Ewing, Ted Waitman, Mark H. Lazarus and Harold S. Edwards (each, an ***"Initial Director"*** and, collectively, the ***"Initial Board"***). Each Initial Director shall hold office until his successor is elected or appointed and qualified, or until his or her earlier death, resignation or removal in accordance with this Article 6. The Initial Board shall have all of the powers and authorities accorded to the Board of Directors, and each Initial Director shall have all of the powers and authorities accorded the directors of the Company under the terms of this Agreement.

Section 6.2 General Powers. The business and affairs of the Company shall be managed by or under the direction of its Board of Directors. Each director of the Company, when acting in such capacity, is a "manager" within the meaning of Section 18-402 of the Act and as such is vested with the powers and authorities necessary for the management of the Company, subject to the terms of this Agreement and the Management Services Agreement; *provided*, that no director is authorized to act individually on behalf of the Company and the Board of Directors shall only take action in accordance with the requirements of this Agreement. In addition to the powers and authorities expressly conferred upon it by this Agreement, the Board of Directors may exercise all such powers of the Company and do all such lawful acts and things as are not prohibited by applicable law, including the Rules and Regulations, or by this Agreement required to be

exercised or done by the Members. Without limiting the generality of the foregoing, it shall be the responsibility of the Board of Directors to establish broad objectives and the general course of the business, determine basic policies, appraise the adequacy of overall results, and generally represent and further the interests of the Members.

Section 6.3 Duties of Directors. Except as provided in this Agreement or otherwise required by the Act, each director of the Company shall have the same fiduciary duties to the Company and the Members as a director of a corporation incorporated under the DGCL has to such corporation and its stockholders, as if such directors of the Company were directors of a corporation incorporated under the DGCL. Except as provided in this Agreement, the parties intend that the fiduciary duties of the directors of the Company shall be interpreted consistently with the jurisprudence regarding such fiduciary duties of directors of a corporation under the DGCL. It shall be expressly understood that, to the fullest extent permitted by law, no director of the Company has any duties (fiduciary or otherwise) with respect to any action or inaction of the Manager, and that, to the fullest extent permitted by law, any actions or inactions of the directors of the Company that cause the Company to act in compliance or in accordance with the Management Services Agreement shall be deemed consistent and compliant with the fiduciary duties of such directors and shall not constitute a breach of any duty hereunder or existing in law, in equity or otherwise.

Section 6.4 Number, Tenure and Qualifications. As provided by Section 6.1, the Initial Board shall be comprised of seven (7) Initial Directors and at all times from and after the closing of the Initial Public Offering the composition of the Board of Directors shall consist of at least a majority of Independent Directors. Subject to this Section 6.4, the number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by the Board of Directors, but shall consist of not less than five (5) nor more than thirteen (13) directors. However, no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Subject to the next sentence, the Board of Directors shall be divided into three classes: Class I, Class II, Class III, with the holders of Trust Interests entitled to elect or appoint the Class I, II, and III directors. In addition, the Board of Directors shall include one (1) director (or, if there are nine (9) or more directors then serving on the Board of Directors, two (2) directors), who shall not be a member of any class (each, an "***Appointed Director***"), and who shall be elected or appointed by the Allocation Member.

Classes I, II and III shall be divided as nearly equal in numbers as the then total number of directors constituting such classes permits, with the term of office of each class expiring in succeeding years, so that (except for the initial terms provided below) each such director shall be elected for a three year term. If the number of such directors is not evenly divisible by three, the greatest number of such directors shall be in Class III and the least number in Class I. The initial Class I directors shall hold office for a term expiring at the first annual meeting of the Members following closing of the Initial Public Offering, the initial Class II directors shall hold office for a term expiring at the second succeeding annual meeting of the Members following closing of the Initial Public Offering, and the initial Class III directors shall hold office for a term expiring at the third succeeding annual meeting of the Members following closing of the Initial Public Offering. The initial Class I directors are Mark H. Lazarus and

Harold S. Edwards. The initial Class II directors are James J. Bottiglieri and Ted Waitman. The initial Class III directors are C. Sean Day and D. Eugene Ewing. Any director filling any Class I, II or III vacancy pursuant to Section 6.8 shall hold office until the next election of the class for which such directors shall have been chosen and until their successors shall be elected and qualified. The term of each director in Classes I, II and III shall be the period from the effective date of such director's election until the end of the term provided in this paragraph, or until such director's successor is duly elected and qualified, or until such director's earlier death, resignation or removal. Directors need not be residents of the State of Delaware or Members.

The Allocation Member has designated I. Joseph Massoud as the initial Appointed Director. The Appointed Director shall hold office until his successor is elected or appointed and qualified, or until his or her earlier death, resignation or removal in accordance with this Article 6. Any director filling a Appointed Director vacancy pursuant to Section 6.8 shall hold office until his successor is elected or appointed and qualified, or until his or her earlier death, resignation or removal in accordance with this Article 6.

Section 6.5 Election of Directors. Except as provided in Sections 6.1, 6.4 and 6.8, the Class I, II and III directors shall be elected at the annual meeting of Members. At any meeting of Members duly called and held for the election of directors at which a quorum is present, directors shall be elected by a plurality of the Trust Interests present in person or represented by proxy at the meeting of Members. Except as provided in Sections 6.1 and 6.8, the Appointed Director shall be elected or appointed at such time or times as the Allocation Member so determines, pursuant to written notice delivered to the Chairman or, if none then serving, the Board of Directors as constituted immediately prior to such election or appointment.

Section 6.6 Removal. Any director may be removed from office, with or without cause, by the affirmative vote of the Members holding at least eighty-five percent (85%) of the applicable issued and Outstanding Trust Interests that so elected or appointed such director. In the case of an Appointed Director, any such removal shall be evidenced in writing by the Allocation Member, which shall be delivered to the Chairman or, if none then serving, the Board of Directors as constituted immediately after such removal.

Section 6.7 Resignations. Any director, whether elected or appointed, may resign at any time upon notice of such resignation to the Company. An Independent Director who ceases to be independent shall promptly resign to the extent required for the Company or the Allocation Member to comply with applicable laws, rules and regulations.

Section 6.8 Vacancies and Newly Created Directorships. Until the second annual election of directors following the Initial Public Offering and other than with respect to the Appointed Director, any vacancies on the Board of Directors, including vacancies resulting from any increase in the authorized number of directors, shall be filled by the Chairman for the applicable term relating to director position so filled. Thereafter, subject to Section 6.9 and other than with respect to an Appointed Director and except as otherwise provided herein, any vacancies on the Board of Directors, including vacancies resulting from any increase in the authorized number of directors, shall be filled by a majority vote of the directors then in office, although less than a quorum, or by a sole remaining director. Notwithstanding anything to the contrary contained in the preceding sentences of this Section 6.8, any director filling any such

vacancy shall satisfy the Applicable Listing Standards and the Rules and Regulations, and any necessary or required qualifications under the Applicable Listing Standards and the Rules and Regulations for applicable committee membership. Subject to Section 6.9, any vacancies in the Appointed Director for any reason, and any newly created directorships resulting from any increase in the authorized number of Appointed Directors may be filled by the Allocation Member at such time or times as the Allocation Member so determines, pursuant to written notice delivered to the Chairman or, if none then serving, the Board of Directors as constituted immediately prior to filling such vacancy, or such election or appointment.

Section 6.9 Appointment of or Nomination and Election of Chairman. C. Sean Day shall be the initial Chairman, and shall hold office for a term expiring at the second annual meeting of the Members following the closing of the Initial Public Offering, or until such Chairman's successor is duly elected and qualified, or until such Chairman's earlier death, resignation or removal. As of the expiration of the term of the initial Chairman (and of any subsequent Chairman) or upon any such Chairman's earlier death, resignation or removal, a majority of the Board of Directors shall elect a Chairman, who shall hold office for at least one (1) year, or until such Chairman's successor is duly elected and qualified, or until such Chairman's earlier death, resignation or removal.

Section 6.10 Chairman of the Board. The Chairman shall be a member of the Board of Directors. The Chairman is not required to be an employee of the Company. The Chairman, if present, shall preside at all meetings of the Board of Directors. If the Chairman is unavailable for any reason, the duties of the Chairman shall be performed, and the Chairman's authority may be exercised, by a director designated for this purpose by the remaining directors of the Board of Directors. The Chairman shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or this Agreement, all in accordance with basic policies as may be established by the Company, and subject to the approval and oversight of the Board of Directors.

Section 6.11 Regular Meetings. A regular meeting of the Board of Directors shall be held without any other notice than this Agreement, immediately after, and at the same place (if any) as, each annual meeting of Members. The Board of Directors may, by resolution, provide the time and place (if any) for the holding of additional regular meetings without any other notice than such resolution. Unless otherwise determined by the Board of Directors, the Secretary of the Company shall act as Secretary at all regular meetings of the Board of Directors and in the Secretary's absence a temporary Secretary shall be appointed by the chairman of the meeting.

Section 6.12 Special Meetings. Special meetings of the Board of Directors shall be called at the request of the Chief Executive Officer, the Chairman or of eighty-five percent (85%) of the directors of the Board of Directors. The Person or Persons authorized to call special meetings of the Board of Directors may fix the place and time of the meetings. Unless otherwise determined by the Board of Directors, the Secretary of the Company shall act as Secretary at all special meetings of the Board of Directors and in the Secretary's absence a temporary Secretary shall be appointed by the chairman of the meeting.

Section 6.13 Notice for Special Meetings. Notice of any special meeting of the Board of Directors shall be mailed by first class mail, postage paid, to each director at his or her business

or residence or shall be sent by telegraph, express courier service (including, without limitation, Federal Express) or facsimile (directed to the facsimile number to which the director has consented to receive notice) or other electronic transmission (including, but not limited to, an e-mail address at which the director has consented to receive notice) not later than three (3) days before the day on which such meeting is to be held if called by the Chief Executive Officer or the Chairman and twenty one (21) days before the day on which such meeting is to be held in all other cases. Except in the case where the business to be transacted at such special meeting includes a proposed amendment to this Agreement, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting. A meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in accordance with Section 9.12, either before or after such meeting.

Section 6.14 Waiver of Notice. Whenever any notice is required to be given to any director of the Company under the terms of this Agreement, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, or a waiver thereof by electronic transmission by the Person or Persons entitled to notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors or committee thereof need be specified in any written waiver of notice or any waiver by electronic transmission of notice of such meeting.

Section 6.15 Action Without Meeting. Any action required or permitted to be taken at any meeting by the Board of Directors or any committee or subcommittee thereof, as the case may be, may be taken without a meeting, without a vote and without prior notice if a consent thereto is signed or transmitted electronically, as the case may be, by the Chairman and at least eighty-five percent (85%) of the directors of the Board of Directors or of such committee or subcommittee, as the case may be, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or such committee or subcommittee; *provided*, *however*, that such electronic transmission or transmissions must either set forth or be submitted with information from which it can be determined that the electronic transmission or transmissions were authorized by the director. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 6.16 Conference Telephone Meetings. Directors of the Board of Directors, or any committee or subcommittee thereof, may participate in a meeting of the Board of Directors or such committee or subcommittee by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

Section 6.17 Quorum. Except as otherwise provided in this Agreement, at all meetings of the Board of Directors, at least thirty-five percent (35%) of the then total number of directors in office (such total number of directors, the ***"Entire Board of Directors"***) shall constitute a quorum for the transaction of business. At all meetings of any committee of the Board of Directors, the presence of a majority of the total number of members of such committee (assuming no vacancies) shall constitute a quorum. The act of a majority of the directors or

committee members present at any meeting at which there is a quorum shall be the act of the Board of Directors or such committee, as the case may be. If a quorum shall not be present at any meeting of the Board of Directors or any committee, a majority of the directors or members, as the case may be, present thereat may adjourn the meeting from time to time without further notice other than announcement at the meeting. The directors of the Board of Directors present at a duly organized meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors of the Board of Directors to leave less than a quorum.

Section 6.18 Committees.

(a) Upon the effectiveness of the Initial Public Offering, the Company shall have three standing committees: the Nominating and Governance Committee, the Audit Committee and the Compensation Committee, as set out below. Each of the Nominating and Governance Committee, the Audit Committee and the Compensation Committee shall adopt by resolution a charter to establish the rules and responsibilities of such committee in accordance with applicable law, including the Rules and Regulations and the Applicable Listing Rules.

(i) Nominating and Corporate Governance Committee. The Board of Directors, by resolution adopted by a majority of the Entire Board of Directors, has designated a Nominating and Corporate Governance Committee comprised solely of Independent Directors, which committee shall oversee the Company’s commitment to good corporate governance, develop and recommend to the Board a set of corporate governance principles and oversee the evaluation of the performance of the Board of Directors. The Nominating and Corporate Governance Committee shall have the duties and responsibilities enumerated in its charter, as amended from time to time by the Board of Directors.

Subject to Section 6.8, the Nominating and Corporate Governance Committee will solicit recommendations for director nominees (other than the Appointed Director) from the Chairman and the Chief Executive Officer. The Nominating and Corporate Governance Committee may also recommend to the Board specific policies or guidelines concerning the structure and composition of the Board of Directors or committees of the Board of Directors, and the tenure and retirement of directors (other than the Appointed Director) and matters related thereto.

(ii) Audit Committee. The Board of Directors, by resolution adopted by a majority of the Entire Board of Directors, has designated an Audit Committee comprised of not fewer than three (3) nor more than seven (7) directors, all of whom shall be Independent Directors, who shall collectively meet the financial literacy requirements of the Exchange Act, the Rules and Regulations and of the Applicable Listing Rules. At least one member of the Audit Committee will meet the accounting or related financial management expertise required to be established by the Board of Directors. The Audit Committee shall have the duties and responsibilities enumerated in its charter, as amended from time to time by the Board of Directors.

The Company shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board of Directors for payment of:

(A) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;

(B) compensation to independent counsel and other advisors engaged for any reason by the Audit Committee; and

(C) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

(iii) Compensation Committee. The Board of Directors, by resolution adopted by a majority of the Entire Board of Directors, has designated a Compensation Committee comprised solely of Independent Directors. The Compensation Committee shall have the duties and responsibilities enumerated in its charter, as amended from time to time by the Board of Directors.

(b) In addition, the Board of Directors may designate one or more additional committees or subcommittees, with each such committee or subcommittee consisting of such number of directors of the Company and having such powers and authority as shall be determined by resolution of the Board of Directors.

(c) All acts done by any committee or subcommittee within the scope of its powers and authority pursuant to this Agreement and the resolutions adopted by the Board of Directors in accordance with the terms hereof shall be deemed to be, and may be certified as being, done or conferred under authority of the Board of Directors. The Secretary is empowered to certify that any resolution duly adopted by any such committee is binding upon the Company and to execute and deliver such certifications from time to time as may be necessary or proper to the conduct of the business of the Company.

(d) Regular meetings of committees shall be held at such times as may be determined by resolution of the Board of Directors or the committee or subcommittee in question and no notice shall be required for any regular meeting other than such resolution. A special meeting of any committee or subcommittee shall be called by resolution of the Board of Directors or by the Secretary upon the request of the Chief Executive Officer, the Chairman or a majority of the members of any committee. Notice of special meetings shall be given to each member of the committee in the same manner as that provided for in Section 6.13.

Section 6.19 Committee Members.

(a) Each member of any committee of the Board of Directors shall hold office until such member’s successor is elected and has qualified, unless such member sooner dies, resigns or is removed.

(b) Subject to Section 6.8, the Board of Directors may designate one or more directors as alternate members of any committee to fill any vacancy on a committee and to fill a vacant chairmanship of a committee, occurring as a result of a member or chairman leaving the committee, whether through death, resignation, removal or otherwise.

Section 6.20 Committee Secretary. The Secretary of the Company shall act as Secretary of any committee or subcommittee, unless otherwise provided by the Board of Directors or the committee or subcommittee, as applicable.

Section 6.21 Compensation. The directors may be paid their expenses, if any, incurred with respect to their attendance at each meeting of the Board of Directors in their capacities as directors, any expenses reasonably incurred in their capacities as directors and, other than an Appointed Director or any executive officer serving in a director capacity who is an employee of the Manager, may be paid compensation as director or chairman of any committee or subcommittee, as the case may be, as determined by the Initial Board or, following the first annual meeting of Members, the Compensation Committee, as the case may be; *provided*, *however*, that the directors shall not receive any compensation prior to the issuance of the Trust Interests. Members of special or standing committees may be allowed like compensation and payment of expenses for attending committee meetings.

Section 6.22 Indemnification, Advances and Insurance.

(a) Each Person who was or is made a party or is threatened to be made a party to or is involved in any manner in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he, she or a Person of whom he or she is the legal representative is or was a director, officer, manager, Member of the Company or the Manager of the Company, or is or was serving at the request of the Company as a director, officer, manager, member of a Subsidiary of the Company or the Manager of the Company, if the Person acted in good faith and in a manner the Person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the Person's conduct was unlawful, shall be indemnified against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Person in connection with any such action, suit or proceeding, and held harmless by the Company to the fullest extent permitted from time to time as such Person would be if the Company were a corporation incorporated under the DGCL as the same exists or may hereafter be amended (but, if permitted by applicable law, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment) or any other applicable laws as presently or hereafter in effect, and such indemnification shall continue as to a Person who has ceased to be a director, officer, manager, Member (or member) or the Manager of the Company and shall inure to the benefit of his or her heirs, executors and administrators (if applicable); *provided*, *however*, that the Company shall indemnify any such Person seeking indemnification in connection with any such action, suit or proceeding (or part thereof) initiated by such Person only if such action, suit or proceeding (or part thereof) was authorized by the Board of Directors or is an action, suit or proceeding to enforce such Person's claim to indemnification pursuant to the rights granted by this Agreement. The Company shall pay, to the fullest extent permitted by

law, the expenses (including attorneys' fees) incurred by such Person in defending any such action, suit or proceeding in advance of its final disposition upon receipt (unless the Company upon authorization of the Board of Directors waives such requirement to the extent permitted by applicable law) of an undertaking by or on behalf of such Person to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right of appeal that such Person is not entitled to be indemnified by the Company as authorized in this Agreement or otherwise.

With respect to any Person who is a present or former director, officer, manager, Member of the Company or the Manager of the Company, the undertaking required by this Section 6.22(a) shall be an unlimited general obligation but need not be secured and shall be accepted without reference to financial ability to make repayment; *provided*, *however*, that such present or former director, officer, manager, Member of the Company or the Manager of the Company does not transfer assets with the intent of avoiding such repayment. With respect to any Person who is a present or former director, officer, manager, Member of the Company or the Manager of the Company, the provisions of Section 6.22(b) relating to a determination that indemnification is proper in the circumstances shall not be a condition to such Person's right to receive advances pursuant to this Section 6.22(a).

(b) Any indemnification of a present or former director, officer, manager, Member or the Manager of the Company under this Section 6.22 shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, manager, Member or the Manager of the Company is proper in the circumstances because the Person has met the applicable standard of conduct set forth in Section 6.3 or the applicable section of Article 7, as the case may be, and acted in good faith and in a manner the Person reasonably believed to be in, or not opposed to, the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe that its conduct was unlawful. Such determination shall be made, with respect to a Person who is a director, officer, manager, Member or the Manager of the Company at the time of such determination, (1) by a majority vote of the directors who are not parties to any such action, suit or proceeding, even though less than a quorum, (2) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, (3) if there are no such directors, or if a majority, even though less than a quorum, of such directors so direct, by independent legal counsel in a written opinion, or (4) by the Members. The indemnification and the advancement of expenses incurred in defending a action, suit or proceeding prior to its final disposition provided by or granted pursuant to this Agreement shall not be exclusive of any other right which any Person may have or hereafter acquire under any statute, provision of the Certificate, other provision of this Agreement, vote of Members or Disinterested Directors (as defined below) or otherwise. No repeal, modification or amendment of, or adoption of any provision inconsistent with, this Section 6.22, nor, to the fullest extent permitted by applicable law, any modification of law, shall adversely affect any right or protection of any Person granted pursuant hereto existing at, or with respect to any events that occurred prior to, the time of such repeal, amendment, adoption or modification.

(c) The Company may maintain insurance, at its expense, to protect itself and any Person who is or was a director, officer, partner, the Manager (or manager), Member (or member), employee or agent of the Company or a Subsidiary of the Company or of another

corporation, partnership, limited liability company, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such Person against such expense, liability or loss under the DGCL (if the Company were a corporation incorporated thereunder) or the Act.

(d) The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Company the expenses incurred in defending any such action, suit or proceeding in advance of its final disposition, to any Person who is or was an employee or agent of the Company or any Subsidiary of the Company (other than those Persons indemnified pursuant to clause (a) of this Section 6.22) and to any Person who is or was serving at the request of the Company or a Subsidiary of the Company as a director, officer, partner, manager, member, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Company or a Subsidiary of the Company, to the fullest extent of the provisions of this Agreement with respect to the indemnification and advancement of expenses of directors, officers, managers and Members of the Company. The payment of any amount to any Person pursuant to this clause (d) shall subrogate the Company to any right such Person may have against any other Person or entity.

(e) The indemnification provided in this Section 6.22 is intended to comply with the requirements of, and provide indemnification rights substantially similar to those available to corporations incorporated under, the DGCL as it relates to the indemnification of officers, directors, employees and agents of a Delaware corporation and, as such (except to the extent greater rights are expressly provided in this Agreement), the parties intend that they should be interpreted consistently with the provisions of, and jurisprudence regarding, the DGCL.

(f) Any notice, request or other communications required or permitted to be given to the Company under this Section 6.22 shall be in writing and either delivered in person or sent by facsimile, telex, telegram, overnight mail or courier service, or certified or registered mail, postage prepaid, return receipt requested, to the Secretary of the Company and shall be effective only upon receipt by the Secretary, as the case may be.

(g) To the fullest extent permitted by the law of the State of Delaware, each Member, manager, director, officer, employee and agent of the Company agrees that all actions for the advancement of expenses or indemnification brought under this Section 6.22 or under any vote of Members or Disinterested Directors or otherwise shall be a matter to which Section 18-111 of the Act shall apply and which shall be brought exclusively in the Court of Chancery of the State of Delaware. Each of the parties hereto agree that the Court of Chancery may summarily determine the Company’s obligations to advance expenses (including attorneys’ fees) under this Section 6.22.

Section 6.23 Reliance; Limitations in Liability.

(a) Each director of the Company shall, in the performance of such director’s duties, be fully protected in relying in good faith upon the records of the Company and upon

such information, opinions, reports or statements presented to the Company by the Manager, or employees of the Manager, or any of the officers of the Company, or committees of the Board of Directors, or by any other Person as to matters the director reasonably believes are within such other Person's professional or expert competence, including, without limitation, information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company, or the value and amount of assets or reserves or contracts, agreements or other undertakings that would be sufficient to pay claims and obligations of the Company or to make reasonable provision to pay such claims or obligations, or any other facts pertinent to the existence and amount of the assets of the Company from which distributions to Members might properly be paid.

(b) No director shall be liable to the Company or the Members for monetary damages for any breach of fiduciary duty by such director as a director; *provided*, *however*, that a director shall be liable to the same extent as if he or she were a director of a Delaware corporation pursuant to the DGCL (i) for breach of the director's duty of loyalty to the Company or its Members, (ii) for acts or omissions not in good faith or a knowing violation of applicable law, or (iii) for any transaction for which the director derived an improper benefit. To the extent the provisions of this Agreement restrict or eliminate the duties and liabilities of a director of the Company or the Members or the Manager otherwise existing at law or in equity, the provisions of this Agreement shall replace such duties and liabilities.

(c) To the fullest extent permitted by law, a director of the Company shall not be liable to the Company, any Member, the Trust or any other Person for: (i) any action taken or not taken as required by this Agreement; (ii) any action taken or not taken as permitted by this Agreement and, with respect to which, such director acted on an informed basis, in good faith and with the honest belief that such action, taken or not taken, was in the best interests of the Company; or (iii) the Company's compliance with an obligation incurred or the performance of any agreement entered into prior to such director having become a director of the Company.

(d) Any director shall not be liable to the Company or to any other director or Member of the Company or any such other Person for breach of fiduciary duty for the director's good faith reliance on the provisions of this Agreement.

(e) Except as otherwise required by the Act, the debts, obligations and liabilities of the Company shall be solely the debts, obligations and liabilities of the Company and no director shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a director of the Company.

ARTICLE 7

OFFICERS

Section 7.1 General.

(a) The officers of the Company shall be elected by the Board of Directors, subject to Section 7.1(b) and Article 8. The officers of the Company shall consist of a Chief Executive Officer, a Chief Financial Officer and a Secretary and, subject to Section 7.1(b), such

other officers as in the judgment of the Board of Directors may be necessary or desirable. All officers elected by the Board of Directors shall have such powers and duties as generally pertain to their respective offices for a corporation incorporated under the DGCL, subject to the specific provisions of this Article 7. Such officers shall also have powers and duties as from time to time may be conferred by the Board of Directors or any committee thereof. Any number of offices may be held by the same Person, unless otherwise prohibited by applicable law or this Agreement. The officers of the Company need not be Members or directors of the Company.

(b) For so long as the Management Services Agreement is in effect, the Manager shall second personnel to serve as the Chief Executive Officer and the Chief Financial Officer and in such other capacities as set forth in the Management Services Agreement, subject to Section 8.5. The Board of Directors shall elect nominated personnel as officers of the Company in accordance with this Article 7. Upon termination of the Management Services Agreement, if no replacement manager is retained by the Company to assume the Manager's rights and obligations hereunder, the Nominating and Corporate Governance Committee shall nominate and the Board of Directors shall elect the officers of the Company.

Section 7.2 Duties of Officers. Except as provided in this Agreement (or as required by the Act), each officer of the Company shall have the same fiduciary duties applicable to officers of a corporation incorporated under the DGCL, as if such officers were officers of a corporation incorporated under the DGCL. Except as provided in this Agreement, the parties hereto intend that the fiduciary duties of the officers of the Company shall be interpreted consistently with the jurisprudence regarding such fiduciary duties of officers of a corporation under the DGCL. It shall be expressly understood that, to the fullest extent permitted by law, no officer of the Company owes any duties (fiduciary or otherwise) to the Members or the Company with respect to any action or inaction of the Manager pursuant to the terms of the Management Services Agreement.

Section 7.3 Election and Term of Office. Subject to Section 7.1(b), the elected officers of the Company shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after each annual meeting of the Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as is convenient. Each officer shall hold office until his or her successor shall have been duly elected and qualified or until his or her death or resignation or removal.

Section 7.4 Chief Executive Officer. The Chief Executive Officer of the Company shall, subject to the oversight of the Board of Directors, supervise, coordinate and manage the Company's business and operations, and supervise, coordinate and manage its activities, operating expenses and capital allocation, shall have general authority to exercise all the powers necessary for the Chief Executive Officer of the Company and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or this Agreement, all in accordance with basic policies as may be established by the Board of Directors.

Section 7.5 Chief Financial Officer. The Chief Financial Officer shall have responsibility for the financial affairs of the Company, including the preparation of financial reports, managing financial risk and overseeing accounting and internal control over financial reporting, subject to the responsibilities of the Audit Committee. The Chief Financial Officer shall also be the

Company’s chief compliance officer, with responsibility for overseeing and managing compliance issues, including, without limitation, ensuring compliance with regulatory requirements, and internal controls, policies and procedures. In the absence of a Secretary, the Chief Financial Officer shall be responsible for the performance of the duties of Secretary. The Chief Financial Officer shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or this Agreement, all in accordance with basic policies as may be established by the Board of Directors and subject to the oversight of the Board of Directors and the Chief Executive Officer.

Section 7.6 Reserved.

Section 7.7 Secretary. The Secretary shall act as secretary of all meetings of Members and the Board of Directors and any meeting of any committee of the Board of Directors. The Secretary shall prepare and keep or cause to be kept in books provided for such purpose minutes of all meetings of Members and the Board of Directors and any meeting of any committee of the Board of Directors, ensure that all notices are duly given in accordance with the provisions of this Agreement and applicable laws, and perform all duties incident to the office of Secretary and as required by law and such other duties as may be assigned to him or her from time to time by the Board of Directors.

Section 7.8 Resignations. Any officer of the Company may resign at any time upon notice of such resignation to the Company.

Section 7.9 Vacancies. Subject to Section 7.1(b), a newly created office and a vacancy in any office because of death, resignation or removal may be filled by the Board of Directors for the unexpired portion of the term at any meeting of the Board of Directors.

ARTICLE 8

MANAGEMENT

Section 8.1 Duties of the Manager. For so long as the Management Services Agreement is in effect and subject at all times to the oversight of the Board of Directors, the Manager will manage the business of the Company and provide its services to the Company in accordance with the terms and conditions of the Management Services Agreement.

Section 8.2 Secondment of the Chief Executive Officer and Chief Financial Officer. Pursuant to the terms of the Management Services Agreement, the Manager will second to the Company natural Persons to serve as the Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer and the Chief Financial Officer shall report directly to the Board.

Section 8.3 Secondment of Additional Officers. Pursuant to the terms of the Management Services Agreement, the Manager and the Company may agree from time to time that the Manager will second to the Company one or more additional natural Persons to serve as officers of the Company, upon such terms as the Manager and the Company may mutually agree. Any such natural Persons will have such titles and fulfill such functions as the Manager and the Company may mutually agree.

Section 8.4 Status of Seconded Officers and Employees. Any officers or employees of the Manager seconded to the Company pursuant to Section 8.3 shall not be employees of the Company; *provided*, that, except as provided in this Agreement (or as required by the Act), any such seconded officers and employees of the Manager shall have the same fiduciary duties with respect to the Company applicable to officers or similarly situated employees, as the case may be, of a corporation incorporated under the DGCL, as if such officers or employees, as the case may be, were officers or employees, as the case may be, of a corporation incorporated under the DGCL. Except as provided in this Agreement, the parties hereto intend that the fiduciary duties of any such seconded officers and employees of the Manager shall be interpreted consistently with the jurisprudence regarding such fiduciary duties of officers or similarly situated employees, as the case may be, of a corporation under the DGCL. It shall be expressly understood that, to the fullest extent permitted by applicable law, no seconded officer or employee of the Manager owes any duties (fiduciary or otherwise) to the Members or the Company with respect to any action or inaction of the Manager except in accordance with the terms of the Management Services Agreement.

Section 8.5 Removal of Seconded Officers. The Board of Directors shall have the right to remove any officer of the Company at any time, with or without cause; *provided*, *however*, that for so long as the Management Services Agreement is in effect, the Board of Directors may remove officers of the Company seconded by the Manager only pursuant to the terms of the Management Services Agreement.

Section 8.6 Replacement Manager. In the event that the Management Services Agreement is terminated and the Board of Directors determines that a replacement manager should be retained to provide for the management of the Company pursuant to a management or other services agreement, the affirmative vote of a majority of the holders of Trust Interests present in person or represented by proxy at the meeting of Members shall be required to retain such replacement manager.

ARTICLE 9

THE MEMBERS

Section 9.1 Rights or Powers. The Members acting as such shall not have any right or power to take part in the management or control of the Company or its business and affairs or to act for or bind the Company in any way. Notwithstanding the foregoing, the Members have all the rights and powers specifically set forth in this Agreement, including, without limitation, those rights and powers set forth in Article 12 and, to the extent not inconsistent with this Agreement, in the Act.

Section 9.2 Annual Meetings of Members. The annual meeting of the Members of the Company shall be held at such date, at such time and at such place (if any) within or without the State of Delaware as may be fixed by resolution of the Board of Directors. Any other business may be transacted at the annual meeting; *provided*, that it is properly brought before the meeting.

Section 9.3 Special Meetings of Members. Special meetings of the Members of the Company shall be held on such date, at such time and at such place (if any) within or without the State of Delaware as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting. Special meetings of the Members may be called at any time only by the Chairman or by the Board of Directors pursuant to a resolution adopted by the Board of Directors. Business transacted at any special meeting of Members shall be limited to the purposes stated in such notice.

Section 9.4 Place of Meeting. The Board of Directors may designate the place (if any) of meeting for any meeting of the Members. If no designation is made by the Board of Directors, the place of meeting shall be the principal executive office of the Company. In lieu of holding any meeting of Members at a designated place, the Board of Directors may, in its sole discretion, determine that any meeting of Members may be held solely by means of remote communication.

Section 9.5 Notice of Meeting.

(a) A notice of meeting, stating the place (if any), day and hour of the meeting, and the means of remote communication, if any, by which Members and proxy holders may be deemed to be present in person and vote at such meeting, shall be prepared and delivered by the Company not less than twenty (20) days and not more than sixty (60) days before the date of the meeting, either personally, by mail or, to the extent and in the manner permitted by applicable law, electronically, to each Member of record. In the case of special meetings, the notice shall state the purpose or purposes for which such special meeting is called. Such further notice shall be given as may be required by applicable law. Any previously scheduled meeting of the Members may be postponed, and (unless this Agreement otherwise provides) any special meeting of the Members may be canceled, by resolution of the Board of Directors upon public notice given prior to the time previously scheduled for such meeting of Members. Any notice of meeting given to Members pursuant to this Section 9.5 shall be effective if given by a form of electronic transmission consented to by the Member to whom the notice is given. Any such consent shall be revocable by the Member by written notice to the Company and shall also be deemed revoked if (1) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent, and (2) such inability becomes known to the Secretary of the Company, the Transfer Agent or other person responsible for the giving of notice; *provided*, that, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(b) Notice to Members shall be given personally, by mail or, to the extent and in the manner permitted by applicable law, electronically to each Member of record. If mailed, such notice shall be delivered by postage prepaid envelope directed to each holder at such Member’s address as it appears in the records of the Company and shall be deemed given when deposited in the United States mail.

(c) In order that the Company may determine the Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty (60) or fewer than twenty (20) days before the date of such meeting. If no record date

is fixed by the Board of Directors, the record date for determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(d) Notice given by electronic transmission pursuant to this subsection shall be deemed given: (1) if by facsimile telecommunication, when directed to a facsimile telecommunication number at which the Member has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the Member has consented to receive notice; (3) if by posting on an electronic network together with separate notice to the Member of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the Member. An affidavit of the Secretary or an assistant Secretary or of the Transfer Agent or other agent of the Company that the notice has been given by personal delivery, mail or a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

Section 9.6 Quorum and Adjournment. Except as otherwise provided by applicable law or by the Certificate or this Agreement, the Members present in person or by proxy holding a majority of each class of the Outstanding LLC Interests entitled to vote hereunder, shall constitute a quorum at a meeting of Members. The Chairman or the holders of a majority of each class of the LLC Interests entitled to vote hereunder so represented may adjourn the meeting from time to time, whether or not there is such a quorum. The Members present at a duly organized meeting at which a quorum is present in person or by proxy may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

When a meeting is adjourned to another time and place, if any, unless otherwise provided by this Agreement, notice need not be given of the reconvened meeting if the date, time and place, if any, thereof and the means of remote communication, if any, by which Members and proxyholders may be deemed to be present in person and vote at such reconvened meeting are announced at the meeting at which the adjournment is taken. If the time, date and place of the reconvened meeting are not announced at the meeting at which the adjournment is taken, then the Secretary of the Company shall give written notice of the time, date and place of the reconvened meeting not less than twenty (20) days prior to the date of the reconvened meeting. At the reconvened meeting, the Members may transact any business that might have been transacted at the original meeting. A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of such meeting; *provided*, *however*, that the Board of Directors may fix a new record date for the reconvened meeting. If an adjournment is for more than thirty (30) days or if, after an adjournment, a new record date is fixed for the reconvened meeting, a notice of the reconvened meeting shall be given to each Member entitled to vote at the meeting.

Section 9.7 Proxies. For so long as the Trust is the sole holder of Trust Interests, actions by Trust Members required to be taken hereunder will be taken by the Trust pursuant to instructions given to the Trust by the holders of the Trust Shares in accordance with the Trust Agreement or otherwise pursuant to terms set forth in the Trust Agreement. In addition, for so

long as the Trust is the sole holder of Trust Interests, the Company shall provide to the Trust, for transmittal to the holders of Trust Shares, the appropriate form of proxy to enable the holders of Trust Shares to direct, in proportion to their percentage ownership of the Trust Shares, the vote of the Trust Member, and the Trust Member shall vote its Trust Interests in the same proportion as the vote of holders of Trust Shares. At all meetings of Members, a Member may vote by proxy as may be permitted by law; *provided*, that no proxy shall be voted after three (3) years from its date unless, in the case of the Trust Member and for so long as the Trust is the sole holder of Trust Interests, the proxy provides for a longer period in accordance with the Trust Agreement. Any proxy to be used at a meeting of Members must be filed with the Secretary of the Company or his or her representative at or before the time of the meeting. A Member may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Company a revocation of the proxy or a new proxy bearing a later date.

Section 9.8 Notice of Member Business and Nominations.

(a) Annual Meetings of Members.

(i) Except in the case of the Initial Board, nominations of individuals for election to the Board of Directors by a Member (other than any Appointed Director, who shall be appointed by the Manager for so long as the Manager is entitled to appoint one or more directors to the Board of Directors pursuant to the terms of this Agreement), and the proposal of business to be considered by the Members, may be made at an annual meeting of Members (A) pursuant to the Company's notice of meeting delivered pursuant to Section 9.5, (B) by or at the direction of the Board of Directors or (C) by any Member of the Company who is entitled to vote at the meeting, who complies with the notice procedures set forth in clauses (ii) and (iii) of this Section 9.8(a).

In addition to any other applicable requirements, for a nomination for election of a director to be made by a Member (other than any Appointed Director, who shall be appointed by the Manager for so long as the Manager is entitled to appoint one or more directors to the Board of Directors pursuant to the terms of this Agreement) or for business to be properly brought before an annual meeting by a Member, such Member must (A) be a Member of record on both (1) the date of the delivery of such nomination or the date of the giving of the notice provided for in this Section 9.8(a) and (2) the record date for the determination of Members entitled to vote at such annual meeting, and (B) have given timely notice thereof in proper written form in accordance with the requirements of this Section 9.8(a) to the Secretary.

(ii) For nominations or other business to be properly brought before an annual meeting by a Member pursuant to Section 9.8(a)(i)(C), the Member must have given timely notice thereof in writing to the Secretary of the Company and, in the case of business other than nominations, such other business must otherwise be a proper matter for Member action. Except to the extent otherwise required by applicable law, to be timely, a Member's notice shall be delivered to the Secretary at the principal executive offices of the Company not less than one hundred and twenty (120) days nor more than one hundred and fifty (150) days prior to the first anniversary of the preceding year's annual meeting; *provided*, *however*, that, in the event that the date of the annual meeting

is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by a Member must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Company. In the case of the first annual meeting of Members, a Member's notice shall be timely if it is delivered to the Secretary at the principal executive offices of the Company not earlier than the one hundred and twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement or an adjournment or postponement of an annual meeting commence a new time period for the giving of a Member's notice as described in this Section 9.8(a).

Subject to Section 9.8(a)(i), such Member's notice shall set forth: (A) as to each individual whom the Member proposes to nominate for election or reelection as a director, all information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, pursuant to Regulation 14A under the Exchange Act, including such individual's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (B) as to any other business that the Member proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration), the reasons for conducting such business at the meeting and any material interest in such business of such Member and the Beneficial Owner or holder of Trust Shares, if any, on whose behalf the proposal is made; and (C) as to the Member giving the notice and the Beneficial Owner, if any, on whose behalf the nomination or proposal is made, (1) the name and address of such Member as they appear on the Company's books and of such Beneficial Owner, (2) the number of, and evidence of such number of, LLC Interests which are owned beneficially and of record by such Member and such Beneficial Owner, (3) a representation that the Member intends to appear in person or by proxy at the meeting to propose such business or nomination, and (4) a representation whether the Member or the Beneficial Owner, if any, intends or is part of a group which intends (i) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the LLC Interests required to approve or adopt the proposal or elect the nominee and/or (ii) otherwise to solicit proxies from Members in support of such proposal or nomination. The foregoing notice requirements shall be deemed satisfied by a Member if the Member has notified the Company of the Member's intention to present a proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) promulgated under the Exchange Act and such Member's proposal has been included in a proxy statement that has been prepared by the Company to solicit proxies for such annual meeting. The Company may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Company or on any committee of the Board of Directors.

(iii) Notwithstanding anything in the second sentence of clause (ii) of this Section 9.8(a) to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Company at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a Member's notice required by this Section 9.8 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Company not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Company.

(b) Special Meeting of Members. Only such business shall be conducted at a special meeting of Members as shall have been brought before the meeting pursuant to the Company's notice of meeting pursuant to Section 9.5. Nominations of individuals for election to the Board of Directors by a Member (other than any Appointed Director, who shall be appointed by the Manager for so long as the Manager is entitled to appoint one or more directors to the Board of Directors pursuant to the terms of this Agreement) may be made at a special meeting of Members at which directors are to be elected pursuant to the Company's notice of meeting (i) by or at the direction of the Board of Directors, or (ii) by any Member who is entitled to vote at the meeting who complies with the notice procedures set forth in this Section 9.8.

In addition to any other applicable requirements, for a nomination for election of a director to be made by a Member, such Member must (A) be a Member of record on both (1) the date of the delivery of such nomination and (2) the record date for the determination of Members entitled to vote at such special meeting, and (B) have given timely notice thereof in proper written form in accordance with the requirements of this Section 9.8(b) to the Secretary.

In the event the Company calls a special meeting of Members for the purpose of electing one or more directors to the Board of Directors, any Member entitled to vote thereon may nominate such number of individuals for election to such position(s) as are specified in the Company's Notice of Meeting, if such Member's notice as required by Section 9.8(a)(ii) shall be delivered to the Secretary at the principal executive offices of the Company not earlier than the one hundred and twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period for the giving of a Member's notice as described above.

(c) General.

(i) Only individuals who are nominated in accordance with the procedures set forth in this Section 9.8 shall be eligible to be considered for election as directors at a meeting of Members and only such business shall be conducted at a meeting of Members as shall have been brought before the meeting in accordance with the procedures set forth in this Section 9.8. Except as otherwise provided by applicable

law or this Section 9.8, the Chairman shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 9.8 and, if any proposed nomination or business is not in compliance with this Section 9.8, to declare that such defective proposal or nomination shall be disregarded.

(ii) For purposes of this Section 9.8, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Company with the Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 9.8, a Member shall also comply with all applicable requirements of the Exchange Act, the Rules and Regulations thereunder and the Listing Rules with respect to the matters set forth in this Section 9.8. Nothing in this Section 9.8 shall be deemed to affect any rights of Members to request inclusion of proposals in the Company's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

Section 9.9 Procedure for Election of Directors; Voting. The election of directors submitted to Members at any meeting shall be decided by a plurality of the votes cast by the Members entitled to vote thereon. Except as otherwise provided by applicable law or this Agreement, all matters other than the election of directors submitted to the Members at any meeting shall be decided by the affirmative vote of the holders of a majority of the then Outstanding LLC Interests entitled to vote thereon present in person or represented by proxy at the meeting of Members. The vote on any matter at a meeting, including the election of directors, shall be by written ballot. Each ballot shall be signed by the Member voting, or by such Member's proxy, and shall state the number of LLC Interests voted.

Section 9.10 Inspectors of Elections; Opening and Closing the Polls.

(a) The Board of Directors by resolution shall appoint one or more inspectors, which inspector or inspectors shall not be directors, officers or employees of the Company, to act at the meeting and make a written report thereof. One or more individuals may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been so appointed to act, or if all inspectors or alternates who have been appointed are unable to act, at a meeting of Members, the Chairman shall appoint one or more inspectors to act at the meeting. Each such inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by the DGCL as if the Company were a Delaware corporation.

(b) The Chairman shall fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the Members will vote at the meeting.

Section 9.11 Confidential Member Voting. All proxies, ballots and votes, in each case to the extent they disclose the specific vote of an identified Member, shall be tabulated and certified

by an independent tabulator, inspector of elections and/or other independent parties and shall not be disclosed to any director, officer or employee of the Company; *provided*, *however*, that, notwithstanding the foregoing, any and all proxies, ballots and voting tabulations may be disclosed: (a) as necessary to meet legal requirements or to assist in the pursuit or defense of legal action; (b) if the Company concludes in good faith that a bona fide dispute exists as to the authenticity of one or more proxies, ballots or votes, or as to the accuracy of any tabulation of such proxies, ballots or votes; (c) in the event of a proxy, consent or other solicitation in opposition to the voting recommendation of the Board of Directors; and (d) if a Member requests or consents to disclosure of such Member's vote or writes comments on such Member's proxy card or ballot.

Section 9.12 Waiver of Notice. Whenever any notice is required to be given to any Member by the terms of this Agreement, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, or a waiver thereof by electronic transmission by the Person or Persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the Members need be specified in any written waiver of notice or any waiver by electronic transmission of such meeting. Notice of any meeting of Members need not be given to any Member if waived by such Member either in a writing signed by such Member or by electronic transmission, whether such waiver is given before or after such meeting is held. If any such waiver is given by electronic transmission, the electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the Member.

Section 9.13 Remote Communication. For the purposes of this Agreement, if authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, Members and proxyholders may, by means of remote communication:

(a) participate in a meeting of Members; and

(b) to the fullest extent permitted by applicable law, be deemed present in person and vote at a meeting of Members, whether such meeting is to be held at a designated place or solely by means of remote communication;

provided, however, that (i) the Company shall implement reasonable measures to verify that each Person deemed present and permitted to vote at the meeting by means of remote communication is a Member or proxyholder, (ii) the Company shall implement reasonable measures to provide such Members and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to read or hear the proceedings of the meeting substantially and concurrently with such proceedings, and (iii) if any Member or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Company.

Section 9.14 Member Action Without a Meeting. For so long as the Trust remains the sole holder of Trust Interests, the Trust shall take any action required or permitted to be taken at any meeting of Members, by executing a written consent that shall reflect the vote of the holders

of Trust Shares as required by the terms of the Trust Agreement, without such meeting, without prior notice, and without a vote. Proxy materials completed by the holders of Trust Shares evidencing the result of a vote taken at a meeting of the holders of Trust Shares with at least the minimum number of votes required to constitute an affirmative vote of the holders of Trust Shares under the Trust Agreement shall be delivered to the Company indicating the vote or action being approved or disapproved by such holders with respect to those matters reserved to the Trust Members of the Company by this Agreement. If the Trust is not the sole owner of the Trust Interests, Members shall take any action required or permitted only at a meeting of Members duly called and noticed, and shall not be entitled to take any action by written consent.

Section 9.15 Return on Capital Contribution. Except as otherwise provided in Article 14, no Member shall demand a return on or of its Capital Contributions.

Section 9.16 Member Compensation. No Member shall receive any interest, salary or draw with respect to its Capital Contributions or its Capital Account or for services rendered on behalf of the Company, or otherwise, in its capacity as a Member, except as otherwise provided in this Agreement or in the Management Services Agreement.

Section 9.17 Member Liability. Except as required by the Act, no Member shall be liable under a judgment, decree or order of a court, or in any other manner, for the Debts or any other obligations or liabilities of the Company. A Member shall be liable only to make its Capital Contributions and shall not be required to restore a deficit balance in its Capital Account or to lend any funds to the Company or, after its Capital Contributions have been made, to make any additional contributions, assessments or payments to the Company; *provided*, *however*, that a Member may be required to repay any distribution made to it in contravention of Section 5.3 or Sections 18-607 or 18-804 of the Act. The Manager shall not have any personal liability for the repayment of any Capital Contributions of any Member.

ARTICLE 10

MEMBER VOTE REQUIRED IN CONNECTION WITH CERTAIN BUSINESS COMBINATIONS OR TRANSACTIONS

Section 10.1 Vote Generally Required. Except as provided in Sections 2.3 and 2.4 and subject to the provisions of Section 10.2, the Company shall not (a) merge or consolidate with or into any limited liability company, corporation, statutory trust, business trust or association, real estate investment trust, common-law trust or any other unincorporated business, including a partnership, or (b) sell, lease or exchange all or substantially all of its Property and assets, unless the Board of Directors shall adopt a resolution, by the affirmative vote of at least a majority of the Entire Board of Directors, approving such action and unless such action shall be approved by the affirmative vote of the holders of a majority of each class of LLC Interests, in each case, Outstanding and entitled to vote thereon. The notice of the meeting at which such resolution is to be considered will so state.

Section 10.2 Vote for Business Combinations. The affirmative vote of the holders of record of at least sixty-six and two-thirds percent (66 2/3%) of each class of LLC Interests then

Outstanding (excluding LLC Interests Beneficially Owned by the Interested Shareholder or any Affiliate or Associate of the Interested Shareholder) shall be required to approve any Business Combination. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by applicable law or in any agreement with any securities exchange or otherwise.

Section 10.3 Power of Continuing Directors. The Continuing Directors shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article 10, including, without limitation, (a) whether a Person is an Interested Shareholder, (b) the number of Trust Interests of the Company beneficially owned by any Person, (c) whether a Person is an Affiliate or Associate of another, and (d) the Fair Market Value of the equity securities of the Company or any Subsidiary thereof, and the good faith determination of the Continuing Directors on such matters shall be conclusive and binding for all the purposes of this Article 10.

Section 10.4 No Effect on Fiduciary Obligations. Nothing contained in this Article shall be construed to relieve the directors of the Board of Directors or an Interested Shareholder from any fiduciary obligation imposed by applicable law.

ARTICLE 11

BOOKS AND RECORDS

Section 11.1 Books and Records; Inspection by Members.

(a) The Company, other than as provided in the Management Services Agreement, shall keep or cause to be kept at its principal executive office appropriate books and records with respect to the Company’s business, including, without limitation, all books and records necessary to provide to the Members any information, lists and copies of documents required to be provided pursuant to applicable law. Any books and records maintained by or on behalf of the Company in the regular course of its business, including, without limitation, the record of the Members, books of account and records of Company proceedings, may be kept in electronic or any other form; *provided*, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time.

(b) The Secretary shall make, at least ten (10) days before every meeting of Trust Members, a complete list of the Trust Members entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each Trust Member and the number of Trust Interests registered in the name of each Trust Member. Such list shall be open to the examination of any Trust Member, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (i) on a reasonably accessible electronic network; *provided*, that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Company. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to Members. The list

shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any Member who is present.

(c) Any Member or Beneficial Owner, in person or by attorney or other agent, shall, upon written demand stating the purpose thereof, have the right during the usual business hours to inspect for any proper purpose, and to make copies and extracts from the Register, a list of the Members, and its other books and records; *provided*, that as of the date of the making of the demand inspection of such books and records would not constitute a breach of any confidentiality agreement. In every instance where a person purports to be a Beneficial Owner of LLC Interests but who is not the holder of record as identified on the Register, the demand shall state such Person's status as a Beneficial Owner of LLC Interests, be accompanied by documentary evidence of beneficial ownership of LLC Interests, and state that such documentary evidence is a true and correct copy of what it purports to be. A proper purpose shall mean a purpose reasonably related to such Person's interest as a Member or Beneficial Owner of LLC Interests.

Section 11.2 Reports.

(a) In General. The Chief Financial Officer of the Company shall be responsible for causing the preparation of financial reports of the Company and the coordination of financial matters of the Company with the Company's accountants.

(b) Periodic and Other Reports. The Company shall cause to be delivered to each Member the financial statements listed in clauses (i) and (ii) below, prepared in each case (other than with respect to Members' Capital Accounts, which shall be prepared in accordance with this Agreement) in accordance with GAAP consistently applied (and, if required by any Member or its controlled Affiliates for purposes of reporting thereunder, Regulation S-X of the Exchange Act). The monthly and quarterly financial statements referred to in clause (ii) below may be subject to normal year-end audit adjustments.

(i) As soon as practicable following the end of each Fiscal Year (and in any event not later than the date on which the Rules and Regulations provide) and at such time as distributions are made to the Members pursuant to Article 14 following the occurrence of a Dissolution Event, a balance sheet of the Company as of the end of such Fiscal Year and the related statements of operations, Members' Capital Accounts and changes therein, and cash flows for such Fiscal Year, together with appropriate notes to such financial statements and supporting schedules, all of which shall be audited and certified by the Company's accountants, and in each case, to the extent the Company was in existence, setting forth in comparative form the corresponding figures for the immediately preceding Fiscal Year end (in the case of the balance sheet) and the two (2) immediately preceding Fiscal Years (in the case of the statements); and

(ii) As soon as practicable following the end of each of the first three Fiscal Quarters of each Fiscal Year (and in any event not later than the date on which the Rules and Regulations require), a balance sheet of the Company as of the end of such Fiscal Quarter and the related statements of operations and cash flows for such Fiscal Quarter and for the Fiscal Year to date, in each case, to the extent the Company was in existence, setting forth in

comparative form the corresponding figures for the prior Fiscal Year's Fiscal Quarter and the interim period corresponding to the Fiscal Quarter and the interim period just completed.

The quarterly statements described in clause (ii) above shall be accompanied by such written certifications as the Rules and Regulations require.

Section 11.3 Preparation of Tax Returns. The Company shall arrange for the preparation and timely filing of all returns of Company income, gains, deductions, losses and other items required of the Company for U.S. federal and state income tax purposes. The classification, realization and recognition of income, gains, deductions, losses and other items shall be on the accrual method of accounting for U.S. federal income tax purposes. The taxable year of the Company shall be the calendar year.

Section 11.4 Tax Elections.

(a) The Board of Directors shall, without any further consent of the Members being required (except as specifically required herein), make (i) the election to adjust the basis of Property pursuant to Code Sections 754, 734(b) and 743(b), or comparable provisions of state, local or foreign law, in connection with Transfers of LLC Interests and Company distributions; and (ii) any and all other elections for U.S. federal, state, local and foreign tax purposes, including, without limitation, any election, if permitted by applicable law: (x) to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Company's U.S. federal, state, local or foreign tax returns; and (y) to the extent provided in Code Sections 6221 through 6231 and similar provisions of U.S. federal, state, local or foreign law, to represent the Company and the Members before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company or the Members in their capacities as Members, and to file any tax returns and execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and the Members. The Manager is specifically authorized to act as the ***"Tax Matters Member"*** under the Code and in any similar capacity under state or local law.

(b) In circumstances where the Trust has been dissolved, the Board of Directors may, by the affirmative vote of at least a majority of the Entire Board of Directors, and without any further consent of the Members being required, cause the Company to elect to be treated as a corporation for U.S. federal income tax purposes; *provided, however*, that such action shall be taken only if (i) the Board of Directors first obtains an opinion from a nationally recognized financial advisor to the effect that it expects the market valuation of the Company to be significantly lower as a result of the Company continuing to be treated as a partnership for U.S. federal income tax purposes than if the Company instead elected to be treated as a corporation for U.S. federal income tax purposes and (ii) the effective date for such election is no earlier than the date on which the Trust has been dissolved pursuant to clause (i) of Section 10.02 of the Trust Agreement.

Section 11.5 Tax Information. Necessary tax information shall be delivered to each Member as soon as practicable after the end of the Fiscal Year of the Company but not later than February 15.

ARTICLE 12

AMENDMENTS

The Board of Directors is authorized to amend the terms of this Agreement by resolution adopted by the affirmative vote of a majority of the Entire Board of Directors; *provided*, *however*, that Sections 1.3, 2.4, 2.5, 3.1(a), 5.1, 8.6, 14.1(i) or (ii), Article 10 and this Article 12 may not be amended without the affirmative vote of Trust Members holding a majority of the Trust Interests present in person or represented by proxy at a meeting of Trust Members; *provided*, *further*, *however*, that Sections 5.1, 5.2, 6.1 , 6.4 (excluding provisions relating to classification of the Board of Directors), 6.5 (solely with respect to the provision relating to an Appointed Director), 6.6 (solely with respect to the Allocation Member's right to remove an Appointed Director), 6.8 (solely with respect to the provision relating to an Appointed Director), 6.9 (solely with respect to the provision relating to the initial Chairman), 6.12 (solely with respect to the Chief Executive Officer's right to call special meetings of the Board of Directors), 6.17, 6.22, 6.23, Article 10 and this Article 12, and any other amendment that would adversely affect the rights of the Allocation Member may not be amended without the prior written consent of the Allocation Member. Notwithstanding anything to the contrary contained in this Agreement, the Board of Directors is authorized by resolution adopted by the affirmative vote of a majority of the Entire Board of Directors to (x) amend, modify or supplement this Agreement to correct any administrative or ministerial error or omission contained in this Agreement or to clarify, or to correct any error in, the calculation of the Profit Distribution Amount consistent with the intent of the Company and the Allocation Member, as determined by the Board of Directors and the Allocation Member in their sole discretion and (y) without limiting the generality of the foregoing provisions of this Article 12, amend, modify or supplement the provisions of Section 6.18 (relating to committees of the Board) from time to time.

ARTICLE 13

TRANSFERS; MONTHLY ALLOCATIONS

Profits, Losses, each item thereof and all other items attributable to LLC Interests for any Allocation Year shall, for U.S. federal income tax purposes, be determined on an annual basis and prorated on a monthly basis and the pro rata portion for each month shall be allocated to those Persons who are Members as of the close of the Nasdaq National Market on the last day of the preceding month. With respect to any LLC Interest that was not treated as Outstanding as of the close of the Nasdaq National Market on the last day of the preceding month, the first Person who is treated as the Member with respect to such LLC Interest will be treated as the Member with respect to such LLC Interest for this purpose as of the close of the Nasdaq National Market on the last day of the preceding month. All distributions having a record date on or before the date of a Transfer of LLC Interests shall be made to the transferor, and all distributions having a record date thereafter shall be made to the transferee. The Board of Directors may revise, alter or otherwise modify such methods of allocation as it determines necessary, to the extent permitted or required by Code Section 706 and the Regulations or rulings promulgated thereunder.

ARTICLE 14

DISSOLUTION AND WINDING UP

Section 14.1 Dissolution Events. The Company shall dissolve and shall commence winding up upon the first to occur of any of the following (each a ***"Dissolution Event"***):

(i) the Board of Directors adopts a resolution, by the affirmative vote of at least a majority of the Entire Board of Directors, approving the dissolution, winding up and liquidation of the Company and such action has been approved by the affirmative vote of the holders of a majority of the Outstanding Trust Interests and entitled to vote thereon;

(ii) the unanimous vote of the Trust Members to dissolve, wind up and liquidate the Company;

(iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act; or

(iv) upon the termination of the legal existence of the last remaining Member or the occurrence of any other event that terminates the continued membership of the last remaining Member unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act.

The Members hereby agree that, notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Dissolution Event.

Section 14.2 Winding Up. Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members, and no Member shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs; *provided*, *however*, that all covenants contained in this Agreement and obligations provided for in this Agreement shall continue to be fully binding upon the Members until such time as the Property has been distributed pursuant to this Section 14.2 and the Certificate has been canceled pursuant to the Act. The Liquidator shall be responsible for overseeing the winding up of the Company, which winding up shall be completed no later than ninety (90) days after the later of the occurrence of the Dissolution Event. The Liquidator shall take full account of the Company's liabilities and Property and shall cause the Property or the proceeds from the sale thereof (as determined pursuant to Section 14.9), to the extent sufficient therefor, to be applied and distributed, to the maximum extent permitted by law, in the following order:

(a) First, to creditors (including the Manager and the Members who are creditors, to the extent otherwise permitted by law) in satisfaction of all of the Company's Debts and other liabilities (whether by payment or the making of reasonable provision for payment thereof), other than liabilities for distributions to Members under Section 18-601 or 18-604 of the Act;

(b) Second, except as provided in this Agreement, to Members and former Members of the Company in satisfaction of liabilities for distributions under Section 18-601 or 18-604 of the Act; and

(c) The balance, if any, to the Members in accordance with the positive balance in their Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods.

Notwithstanding Section 14.9, no Member or Manager shall receive additional compensation for any services performed pursuant to this Article 14.

Section 14.3 Compliance with Certain Requirements of Regulations; Deficit Capital Accounts. In the event the Company is "liquidated" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article 14 to the Members who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Member has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all Allocation Years, including the Allocation Year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purpose whatsoever. In the discretion of the Liquidator, a pro rata portion of the distributions that would otherwise be made to the Members pursuant to this Article 14 may be:

(a) Distributed to a trust established for the benefit of the Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent, conditional or unmatured liabilities or obligations of the Company; the assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the Liquidator, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to Section 14.2; or

(b) Withheld to provide a reasonable reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Company; *provided*, *however*, that such withheld amounts shall be distributed to the Members as soon as practicable.

Section 14.4 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article 14, in the event the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Dissolution Event has occurred, the Property shall not be liquidated, the Company's Debts and other Liabilities shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, solely for U.S. federal income tax purposes, the Company shall be deemed to have contributed all its Property and liabilities to a new limited liability company in exchange for interests in such new company and, immediately thereafter, the Company will be deemed to liquidate by distributing interests in the new company to the Members.

Section 14.5 Rights of Members. Except as otherwise provided in this Agreement, each Member shall look solely to the Property of the Company for the return of its Capital

Contribution and has no right or power to demand or receive Property other than cash from the Company. If the assets of the Company remaining after payment or discharge of the debts or liabilities of the Company are insufficient to return such Capital Contribution, the Members shall have no recourse against the Company or any other Member or the Manager.

Section 14.6 Notice of Dissolution/Termination.

(a) In the event a Dissolution Event occurs or an event occurs that would, but for the provisions of Section 14.1, result in a dissolution of the Company, the Board of Directors shall, within thirty (30) days thereafter, provide written notice thereof to each of the Members and to all other parties with whom the Company regularly conducts business (as determined in the discretion of the Board of Directors) and shall publish notice thereof in a newspaper of general circulation in each place in which the Company regularly conducts business (as determined in the discretion of the Board of Directors).

(b) Upon completion of the distribution of the Company's Property as provided in this Article 14, the Board of Directors shall cause the filing of the Certificate of Cancellation pursuant to Section 18-203 of the Act and shall take all such other actions as may be necessary to terminate the Company.

Section 14.7 Allocations During Period of Liquidation. During the period commencing on the first day of the Fiscal Year during which a Dissolution Event occurs and ending on the date on which all of the assets of the Company have been distributed to the Members pursuant to Section 14.2 (the ***"Liquidation Period"***), the Members shall continue to share Profits, Losses, gain, loss and other items of Company income, gain, loss or deduction in the manner provided in Article 4.

Section 14.8 Character of Liquidating Distributions. All payments made in liquidation of the interest of a Member in the Company shall be made in exchange for the interest of such Member in Property pursuant to Section 736(b)(1) of the Code, including the interest of such Member in Company goodwill.

Section 14.9 The Liquidator.

(a) Fees. Subject to Section 14.2, the Company is authorized to pay a reasonable fee to the Liquidator for its services performed pursuant to this Article 14 and to reimburse the Liquidator for its reasonable costs and expenses incurred in performing those services.

(b) Indemnification. The Company shall indemnify, hold harmless and pay all judgments and claims against the Liquidator or any officers, directors, agents or employees of the Liquidator relating to any liability or damage incurred by reason of any act performed or omitted to be performed by the Liquidator or any officers, directors, agents or employees of the Liquidator in connection with the liquidation of the Company, including reasonable attorneys' fees incurred by the Liquidator, officer, director, agent or employee in connection with the defense of any action based on any such act or omission, which attorneys' fees may be paid as incurred, except to the extent such liability or damage is caused by the fraud or intentional

misconduct of, or a knowing violation of the laws by, the Liquidator which was material to the cause of action.

Section 14.10 Form of Liquidating Distributions. For purposes of making distributions required by Section 14.2, the Liquidator may determine whether to distribute all or any portion of the Property in kind or to sell all or any portion of the Property and distribute the proceeds therefrom.

ARTICLE 15

MISCELLANEOUS

Section 15.1 Notices. Subject to Sections 6.11, 6.13, 9.5 and 9.8, any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and delivered personally, or, when the same is actually received, if sent either by registered or certified mail, postage and charges prepaid, or by facsimile, if such facsimile is followed by a hard copy of the facsimile communication sent promptly thereafter by registered or certified mail, postage and charges prepaid, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Members and the Manager:

(a) If to the Company:

61 Wilton Road
Westport CT 06880
Attention: I. Joseph Massoud
Facsimile No.: (212) 581-8037

(b) If to the Allocation Members:

61 Wilton Road
Westport CT 06880
Attention: I. Joseph Massoud
Facsimile No.: (212) 581-8037

(c) If to the Trust Members:

61 Wilton Road
Westport CT 06880
Attention: I. Joseph Massoud
Facsimile No.: (212) 581-8037

Section 15.2 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective successors, transferees and assigns.

Section 15.3 Construction. It is the intent of the parties hereto that every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

Section 15.4 Time. In computing any period of time pursuant to this Agreement, the day of the act, event or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or any other day on which banks in The City of New York are required or authorized by law or executive order to close, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or any other day on which banks in The City of New York are required or authorized by law or executive order to close.

Section 15.5 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

Section 15.6 Severability. Except as otherwise provided in the succeeding sentence, every provision of this Agreement is intended to be severable, and, if any term or provision of this Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement. The preceding sentence of this Section 15.6 shall be of no force or effect if the consequence of enforcing the remainder of this Agreement without such illegal or invalid term or provision would be to cause any Member to lose the material benefit of its economic bargain.

Section 15.7 Incorporation by Reference. Every exhibit, schedule and other appendix attached to this Agreement and referred to herein is not incorporated in this Agreement by reference unless this Agreement expressly otherwise provides.

Section 15.8 Variation of Terms. All terms and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

Section 15.9 Governing Law and Consent to Jurisdiction/Service of Process. The laws of the State of Delaware shall govern this Agreement, including the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties arising hereunder.

Each party hereto and any Person acquiring an LLC Interest, from time to time, (i) irrevocably submits to the non-exclusive jurisdiction and venue of any Delaware state court or U.S. federal court sitting in Wilmington, Delaware in any action arising out of this Agreement and (ii) consents to the service of process by mail. Nothing herein shall affect the right of any party to serve legal process in any manner permitted by law or affect its right to bring any action in any other court.

Section 15.10 Waiver of Jury Trial. Each of the Members irrevocably waives, to the extent permitted by law, all rights to trial by jury and all rights to immunity by sovereignty or otherwise in any action, proceeding or counterclaim arising out of or relating to this Agreement.

Section 15.11 Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

Section 15.12 Specific Performance. Each Member agrees with the other Members that the other Members would be irreparably damaged if any of the provisions of this Agreement were not performed in accordance with their specific terms and that monetary damages would not provide an adequate remedy in such event. Accordingly, it is agreed that, in addition to any other remedy to which the nonbreaching Members may be entitled, at law or in equity, the nonbreaching Members shall be entitled to injunctive relief to prevent breaches of the provisions of this Agreement and specifically to enforce the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having subject matter jurisdiction thereof.

— Signature page follows —

IN WITNESS WHEREOF, the Members have executed and entered into this Amended and Restated Operating Agreement of the Company as of the day first above set forth.

COMPASS DIVERSIFIED TRUST

By: /s/ James J. Bottiglieri
Name: James J. Bottiglieri
Title: Regular Trustee

COMPASS GROUP MANAGEMENT LLC

By: /s/ I. Joseph Massoud
Name: I. Joseph Massoud

EXHIBIT A

SPECIMEN LLC INTEREST CERTIFICATE

COMPASS GROUP DIVERSIFIED HOLDINGS LLC INTEREST

. . . .* This Certifies that____is the owner of ________ Trust Interests or ________Allocation Interests of Compass Group Diversified Holdings LLC, a Delaware limited liability company (the "Company"), with such rights and privileges as are set forth in the Amended and Restated Operating Agreement of the Company dated April 25, 2006 (the "Agreement"), as it may be amended from time to time.

THE LLC INTERESTS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE (THE "STATE ACTS") OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THE LLC INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, BY AN STATE SECURITIES COMMISSION OR BY ANY OTHER REGULATORY AUTHORITY OF ANY OTHER JURISDICTION. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE LLC INTERESTS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TRANSFER RESTRICTIONS CONTAINED IN THE AGREEMENT. EVERY HOLDER OF THIS CERTIFICATE, BY HOLDING AND RECEIVING THE SAME, AGREES WITH THE COMPANY TO BE BOUND BY THE TERMS OF THE AGREEMENT. THE AGREEMENT WILL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF UPON REQUEST WITHOUT CHARGE.

. . . . In Witness Whereof, said Company has caused this Certificate to be signed by its Chief Executive Officer this ________ day of ________, A.D.________.

________________________________,

. . . .

Exhibit 10.1

FORM OF

MANAGEMENT SERVICES AGREEMENT

BY AND BETWEEN

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,

AND

COMPASS GROUP MANAGEMENT LLC

Dated as of l, 2006

TABLE OF CONTENTS

		Page
ARTICLE I	DEFINITIONS	1
Section 1.1	Definitions	1
ARTICLE II	APPOINTMENT OF THE MANAGER	5
Section 2.1	Appointment	5
Section 2.2	Term	5
ARTICLE III	OBLIGATIONS OF THE PARTIES	6
Section 3.1	Obligations of the Manager	6
Section 3.2	Obligations of the Company and its Subsidiaries	7
Section 3.3	Acquisition and Disposition Opportunities	8
Section 3.4	Offsetting Management Services	9
Section 3.5	Change of Services	9
Section 3.6	Transaction Services	10
ARTICLE IV	POWERS OF THE MANAGER	11
Section 4.1	Powers of the Manager	11
Section 4.2	Delegation	11
Section 4.3	Manager’s Duties Exclusive	12
ARTICLE V	INSPECTION OF RECORDS	12
Section 5.1	Books and Records of the Company and its Subsidiaries	12
Section 5.2	Books and Records of the Manager	12
ARTICLE VI	AUTHORITY OF THE COMPANY, THE SUBSIDIARIES OF THE COMPANY AND THE MANAGER	13
ARTICLE VII	MANAGEMENT FEE; EXPENSES	13
Section 7.1	IPO Expenses	13
Section 7.2	Management Fee	13
Section 7.3	Reimbursement of Expenses	15
ARTICLE VIII	SECONDMENT OF OFFICERS BY THE MANAGER	16
Section 8.1	Secondment of the Chief Executive Officer and Chief Financial Officer	16
Section 8.2	Remuneration of the Chief Executive Officer and Chief Financial Officer	16
Section 8.3	Secondment of Additional Officers	17
Section 8.4	Removal of Seconded Officers	17
Section 8.5	Insurance	18
ARTICLE IX	TERMINATION; RESIGNATION AND REMOVAL OF THE MANAGER	18

		Page
Section 9.1	Resignation by the Manager	18
Section 9.2	Removal of the Manager	18
Section 9.3	Termination	19
Section 9.4	Seconded Individuals	19
Section 9.5	Withdrawal of Branding	19
Section 9.6	Directions	19
ARTICLE X	INDEMNITY	20
ARTICLE XI	LIMITATION OF LIABILITY OF THE MANAGER	21
Section 11.1	Limitation of Liability	21
Section 11.2	Reliance of Manager	21
ARTICLE XII	LEGAL ACTIONS	22
Section 12.1	Third Party Claims	22
ARTICLE XIII	MISCELLANEOUS	22
Section 13.1	Obligation of Good Faith; No Fiduciary Duties	22
Section 13.2	Binding Effect	22
Section 13.3	Compliance	22
Section 13.4	Effect of Termination	23
Section 13.5	Notices	23
Section 13.6	Headings	24
Section 13.7	Applicable Law	24
Section 13.8	Submission to Jurisdiction; Waiver of Jury Trial	24
Section 13.9	Amendment; Waivers	25
Section 13.10	Remedies to Prevailing Party	25
Section 13.11	Severability	25
Section 13.12	Benefits Only to Parties	26
Section 13.13	Further Assurances	26
Section 13.14	No Strict Construction	26
Section 13.15	Entire Agreement	26
Section 13.16	Assignment	26
Section 13.17	Counterparts	28

MANAGEMENT SERVICES AGREEMENT (as amended, revised, supplemented or otherwise modified from time to time, this ***"Agreement"***), dated as of l, 2006, by and between Compass Group Diversified Holdings LLC, a Delaware limited liability company (the ***"Company"***), and Compass Group Management LLC, a Delaware limited liability company (the ***"Manager"***). Each party hereto shall be referred to as, individually, a ***"Party"*** and, collectively, the ***"Parties"***.

WHEREAS, the Company has determined that it would be in its best interests to appoint a manager to perform the Services described herein and have agreed, therefore, to appoint the Manager to perform such Services; and

WHEREAS, the Manager has agreed to act as Manager and to perform the Services described herein on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions.

Except as otherwise noted, for all purposes of this Agreement, the following terms shall have the respective meanings set forth in this Section 1.1, which meanings shall apply equally to the singular and plural forms of the terms so defined and the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision:

"Adjusted Management Fee" has the meaning set forth in Section 7.2(c) hereof.

"Adjusted Net Assets" means, as of any Calculation Date, the *sum* of (i) consolidated total assets (as determined in accordance with GAAP) of the Company as of such Calculation Date, *plus* (ii) the absolute amount of consolidated accumulated amortization of intangibles (as determined in accordance with GAAP) of the Company as of such Calculation Date, *minus* (iii) the absolute amount of Adjusted Total Liabilities of the Company as of such Calculation Date.

"Adjusted Total Liabilities" means, as of any Calculation Date, the Company's consolidated total liabilities (as determined in accordance with GAAP) as of such Calculation Date, after excluding the effect of any outstanding Third Party Indebtedness of the Company.

"Adjustment Date" has the meaning set forth in Section 7.2(c) hereof.

"Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person or (ii) any officer, director, general member, member or trustee of such Person. For purposes of this definition, the terms

"controlling," "controlled by" or "under common control with" shall mean, with respect to any Persons, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least 50% of the directors, managers, general members, or Persons exercising similar authority with respect to such Person.

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Board of Directors" means, with respect to the Company or any Subsidiary of the Company, as the case may be, the Board of Directors of the Company, such Subsidiary of the Company, or, in each case, any committee thereof that has been duly authorized by the Board of Directors to make a decision on the matter in question or bind the Company or such Subsidiary of the Company, as the case may be, as to the matter in question.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in The City of New York are required, permitted or authorized, by applicable law or executive order, to be closed for regular banking business.

"Calculation Date" means, with respect to any Fiscal Quarter, the last day of such Fiscal Quarter.

"Chief Executive Officer" means the Chief Executive Officer of the Company, including any interim Chief Executive Officer.

"Chief Financial Officer" means the Chief Financial Officer of the Company, including any interim Chief Financial Officer.

"Commencement Date" means the date of the closing of the IPO by the Trust and the Company.

"Company" has the meaning set forth in the preamble of this Agreement.

"Company Officers" means the Chief Executive Officer and the Chief Financial Officer and any other officer of the Company hereinafter appointed by the Board of Directors of the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Federal Securities Laws" means, collectively, the Securities Act, the Exchange Act and the rules and regulations promulgated thereunder.

"Final Management Fee" has the meaning set forth in Section 7.2(b) hereof.

"Fiscal Quarter" means the Company's fiscal quarter for purposes of its reporting obligations under the Exchange Act.

"GAAP" means generally accepted accounting principles in effect in the United States, consistently applied.

"Incur" means, with respect to any Indebtedness or other obligation of a Person, to create, issue, acquire (by conversion, exchange or otherwise), assume, suffer, guarantee or otherwise become liable in respect of such Indebtedness or other obligation.

"Indebtedness" means, with respect to any Person, (i) any liability for borrowed money, or under any reimbursement obligation relating to a letter of credit, (ii) all indebtedness (including bond, note, debenture, purchase money obligation or similar instrument) for the acquisition of any businesses, properties or assets of any kind (other than property, including inventory, and services purchased, trade payables, other expenses accruals and deferred compensation items arising in the Ordinary Course of Business), (iii) all obligations under leases that have been or should be, in accordance with GAAP, recorded as capital leases, (iv) any liabilities of others described in the preceding clauses (i) to (iii) (inclusive) that such Person has guaranteed or that is otherwise its legal liability, and (v) (without duplication) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in clauses (i) through (iv) above.

"Indemnified Parties" has the meaning set forth in Article X hereof.

"Independent Director" means a director who (i)(a) is not an officer or employee of the Company, or an officer, director or employee of any of the Subsidiaries of the Company or their Subsidiaries, (b) was not appointed as a director pursuant to the terms of this Agreement and (c) is not affiliated with the Manager or any of its Affiliates, and (ii) satisfies the independence requirements under the Exchange Act and the rules and regulations of the Nasdaq National Market.

"Investment Advisers Act" means the Investment Advisers Act of 1940, as amended.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"IPO" means the initial public offering of Trust Shares by the Trust, closing on the date hereof.

"LLC Agreement" means the Amended and Restated Operating Agreement of Compass Group Diversified Holdings LLC, dated as of the date hereof, including all exhibits and schedules attached thereto, as may be amended, revised, supplemented or otherwise modified from time to time.

"Losses" has the meaning set forth in Article X hereof.

"Management Fee" has the meaning set forth in Section 7.2(a) hereof.

"Management Fee Payment Date" means, with respect to any Calculation Date, the date that is ten (10) Business Days following the receipt by the Company of the calculation of the Management Fee from the MSA Administrator with respect to such Calculation Date.

"Manager" has the meaning set forth in the preamble of this Agreement.

"Manager Marks" has the meaning set forth in Section 3.7 hereof.

"MSA Administrator" means, as of any Calculation Date, (i) for so long as this Agreement remains in full force and effect as of such Calculation Date, the Manager, and (ii) thereafter, the Chief Financial Officer.

"Nasdaq National Market" means the Nasdaq National Market (or any successor thereto).

"Offsetting Management Fees" has the meaning specified in Section 3.4 hereof.

"Offsetting Management Services" has the meaning specified in Section 3.4 hereof.

"Offsetting Management Services Agreement" has the meaning specified in Section 3.4 hereof.

"Ordinary Course of Business" means, with respect to any Person, an action taken by such Person if such action is (i) consistent with the past practices of such Person and is taken in the normal day-to-day business or operations of such Person and (ii) which is not required to be specifically authorized or approved by the board of directors of such Person.

"Over-Paid Management Fees" means, as of any Calculation Date, the amount by which (i) Adjusted Management Fees that were actually paid on all Management Fee Payment Dates preceding such Calculation Date, *exceeded* (ii) Adjusted Management Fees that were actually due and payable by the Company on all such Management Fee Payment Dates, as determined by the MSA Administrator upon availability of the Company's final consolidated financial statements in accordance with Section 7.2(e); *provided*, that such amount shall not be less than zero.

"Party" and ***"Parties"*** have the meaning set forth in the preamble of this Agreement.

"Person" means any individual, company (whether general or limited), limited liability company, corporation, trust, estate, association, nominee or other entity.

"Securities Act" means the Securities Act of 1933, as amended.

"Services" has the meaning set forth in Section 3.1(b) hereof.

"Subsidiary" means, with respect to any Person, any corporation, company, joint venture, limited liability company, association or other Person in which such Person owns, directly or indirectly, more than 50% of the outstanding voting equity securities or interests, the holders of which are generally entitled to vote for the election of the Board of Directors or other governing body of such Person.

"Termination Fee" means, as of any Termination Fee Date, the amount equal to the *product* of (i) two (2) *multiplied by* (ii) the *sum* of the four Management Fees calculated with respect to the four Fiscal Quarters immediately preceding such Termination Fee Date.

"Termination Fee Date" means the date upon which this Agreement is terminated pursuant to an event described in Section 9.2(a) hereof.

"Third Party Indebtedness" means, with respect to any Person, Indebtedness of such Person owed to any lenders or other creditors that are not Affiliated with such Person.

"Transaction Fee" has the meaning set forth in Section 3.6 hereof.

"Transaction Services" has the meaning set forth in Section 3.6 hereof.

"Transaction Services Agreements" has the meaning set forth in Section 3.6 hereof.

"Trust" means Compass Diversified Trust, which holds one hundred percent (100%) of the Trust Interest in the Company.

"Trust Certificate" means the certificates representing Trust Shares.

"Trust Interest" means the trust interests of the Company as provided for and described in the LLC Agreement.

"Trust Shares" means the shares of beneficial interest of the Trust where each such share represents an undivided beneficial interest in one Trust Interest; *provided*, that in the event that all outstanding shares of beneficial interest of the Trust are exchanged for Trust Interests in accordance with the terms of the LLC Agreement, all references herein to "Trust Shares" shall automatically be deemed to refer to Trust Interests upon such exchange.

"Under-Paid Management Fees" means, as of any Calculation Date, the amount by which (i) Adjusted Management Fees that were actually due and payable by the Company on all Management Fee Payment Dates preceding such Calculation Date, as determined by the MSA Administrator upon availability of the Company's final consolidated financial statements in accordance with in Section 7.2(e) *exceeded* (ii) Adjusted Management Fees that were actually paid on all such Management Fee Payment Dates; *provided*, that such amount shall not be less than zero.

ARTICLE II

APPOINTMENT OF THE MANAGER

Section 2.1 Appointment

The Company hereby agrees to, and hereby do, appoint the Manager to perform the Services as set forth in Section 3.1 herein and in accordance with the terms of this Agreement.

Section 2.2 Term

The Manager shall provide Services to the Company from the Commencement Date until the termination of this Agreement in accordance with Article IX hereof.

ARTICLE III

OBLIGATIONS OF THE PARTIES

Section 3.1 Obligations of the Manager

(a) Subject always to the oversight and supervision of the Board of Directors of the Company and the terms and conditions of this Agreement, the Manager shall during the term of this Agreement (i) perform the Services as set forth in Section 3.1(b) below and (ii) comply with the provisions of the LLC Agreement, as amended from time to time, and the operational objectives and business plans of the Company in existence from time to time. The Company shall promptly provide the Manager with all amendments to the LLC Agreement and all stated operational objectives and business plans of the Company approved by the Board of Directors of the Company and any other available information reasonably requested by the Manager.

(b) Subject to Sections 3.4 and 3.6 hereof and Article VII, the Manager agrees and covenants that it shall perform the following services (as may be modified from time to time pursuant to Section 3.5 hereof, the ***"Services"***):

(i) manage the Company's day-to-day business and operations, including managing its liquidity and capital resources and causing the Company to comply with applicable law;

(ii) identify, evaluate, manage, perform due diligence on, negotiate and oversee the acquisitions of target businesses by the Company and any other investments of the Company;

(iii) evaluate, manage, negotiate and oversee the disposition of all or any part of the property, assets or investments of the Company, including dispositions of all or any part of the Company's Subsidiaries;

(iv) evaluate and oversee the financial and operational performance of any of the Company's Subsidiaries, including monitoring the business and operations thereof, and the financial performance of any of the Company's other investments;

(v) provide, on the Company's behalf, managerial assistance to its Subsidiaries;

(vi) provide or second, as determined necessary by the Manager and in accordance with the terms and conditions of this Agreement and the LLC Agreement, employees of the Manager to serve as executive officers or other employees of the Company or as members of the Company's Board of Directors; and

(vii) perform any other services for and on behalf of the Company to the extent that such services are consistent with those that are customarily performed by the executive officers and employees of a publicly listed or quoted Person.

The foregoing Services shall include, but are not limited to, the following: (1) establishing and maintaining books and records of the company in accordance with customary practice and GAAP; (2) recommend to the Company's Board of Directors (x) capital raising activities, including the issuance of debt or equity securities of the Company, the entry into credit facilities or other credit arrangements, structured financings or other capital market transactions, (y) changes or other modifications in the capital structure of the Company, including repurchases; (3) recommend to the Company's Board of Directors the engagement of or, if approval is not otherwise required hereunder, engage agents, consultants or other third party service providers to the Company, including accountants, lawyers or experts, in each case, as may be necessary by the Company from time to time; (4) maintain the Company's property and assets in the Ordinary Course of Business; (5) make recommendations to the Company's Board of Directors with respect to the exercise of voting rights to which the Company is entitled to vote in respect of its investments; (6) manage or oversee litigation, administrative or regulatory proceedings, investigations or any other reviews of the Company's business or operations that may arise in the Ordinary Course of Business or otherwise, subject to the approval of the Company's Board of Directors to the extent necessary in connection with the settlement, compromise, consent to the entry of an order or judgment or other agreement resolving any of the foregoing; (7) establish and maintain appropriate insurance policies with respect to the Company's business and operations; (8) recommend to the Company's Board of Directors the payment of dividends or other distributions on the equity interests of the Company; and (9) attend to the timely calculation and payment of taxes payable, and the filing of all taxes return due, by the Company.

(c) In connection with the performance of its obligations under this Agreement, the Manager shall be required to obtain authorization and approval of the Company's Board of Directors in accordance with the Company's internal policy regarding action requiring Board of Directors approval, as otherwise required by any such Board of Directors (or any applicable committee thereof) or the Company's officers or as otherwise required by applicable law.

(d) In connection with the performance of the Services under this Agreement, the Manager shall have all necessary power and authority to perform, or cause to be performed, such Services on behalf of the Company.

(e) In connection with the performance of its obligations under this Agreement, the Manager is not permitted to engage in any activities that would cause it to become an "investment adviser" as defined in Section 202(a)(11) of the Investment Advisers Act, or any successor provision thereto.

(f) While the Manager is providing the Services under this Agreement, the Manager shall also be permitted to provide services, including services similar to the Services covered hereby, to other Persons, including Affiliates of the Manager. This Agreement and the Manager's obligation to provide the Services under this Agreement shall not create an exclusive relationship between the Manager and its Affiliates, on the one hand, and the Company and its Subsidiaries, on the other.

Section 3.2 Obligations of the Company

(a) The Company shall, and the Company shall cause its Subsidiaries to, do all things reasonably necessary on their part as requested by the Manager consistent with the terms of this Agreement to enable the Company to fulfill its obligations under this Agreement.

(b) The Company shall, and the Company shall cause its Subsidiaries to, take reasonable steps to ensure that:

(i) their officers and employees, and the officers and employees of their Subsidiaries, act in accordance with the terms of this Agreement and the reasonable directions of the Manager in fulfilling the Manager's obligations hereunder and allowing the Manager to exercise its powers and rights hereunder; and

(ii) the Company and its Subsidiaries provide to the Manager all reports (including monthly management reports and all other relevant reports), which the Manager may reasonably require and on such dates as the Manager may reasonably require.

(c) Without the prior written consent of the Manager, the Company shall not amend any provision of the LLC Agreement that adversely affects, either directly or indirectly, the rights of the Manager hereunder.

(d) The Company agrees that, in connection with the performance by the Manager of its obligations hereunder, the Manager may recommend to the Company, and on behalf of the Company may engage in, transactions with any of the Manager's Affiliates; *provided*, that any such transactions shall be subject to the authorization and approval of the Company's nominating and corporate governance committee.

(e) The Company shall maintain a Board of Directors consisting of a majority of Independent Directors.

(f) The Company shall take any and all actions necessary to ensure that it does not become an "investment company" as defined in Section 3(a)(1) of the Investment Company Act, or any successor provision thereto.

Section 3.3 Acquisition and Disposition Opportunities

(a) The Company agrees that the Manager shall have, and do hereby grant to the Manager, exclusive responsibility for reviewing and making recommendations to the Company's Board of Directors with respect to acquisition and disposition opportunities. In the event that any such opportunity is not originated by the Manager, the Company's Board of Directors shall seek a recommendation from the Manager prior to making any decision concerning such opportunity.

(b) In the case of any acquisition or disposition opportunity that involves an Affiliate of the Manager or the Company, the Company's nominating and corporate governance committee shall be required to authorize and approve such transaction.

(c) The Manager shall review each acquisition or disposition opportunity presented to the Manager to determine, in its sole discretion, if such acquisition or disposition opportunity satisfies the Company's

acquisition criteria, as established by the Company's Board of Directors from time to time. If the Manager determines, in its sole discretion, if such an opportunity satisfies such criteria, the Manager shall refer such opportunity to the Company's Board of Directors for its authorization and approval prior to any consummation thereof.

(d) In the event that an acquisition opportunity is referred to the Company's Board of Directors by the Manager and the Company's Board of Directors determines not to promptly pursue such opportunity in whole or in part, any part of such opportunity that the Company does not promptly pursue may be pursued by the Manager or may be referred by the Manager to any Person, including Affiliates of the Manager, in the sole discretion of the Manager.

Section 3.4 Offsetting Management Services

Notwithstanding anything else to the contrary herein, the Company agrees that the Manager may, at any time, enter into management services agreements with any one or more of the Subsidiaries of the Company (***"Offsetting Management Services Agreement")***, including by assignment thereof, relating to the performance by the Manager of management services for such Subsidiaries of the Company that may or may not be similar to Services to be provided hereunder (***"Offsetting Management Services"***); *provided*, that such Offsetting Management Services Agreement shall be designated as such therein; *provided*, *further*, that any Offsetting Management Services provided to a Subsidiary of the Company pursuant to an Offsetting Management Services Agreement shall not be deemed to be Services provided hereunder. Any fee to be paid pursuant to such an Offsetting Management Services Agreement (***"Offsetting Management Fee"***) shall be paid directly by the relevant Subsidiary of the Company to the Manager and shall not be deemed an obligation of the Company. Notwithstanding anything else to the contrary in any Offsetting Management Services Agreement, the Parties hereto agree (i) to use commercially reasonable efforts so that Offsetting Management Fees to be paid with respect to any Fiscal Quarter shall be paid at a time so as to permit such Offsetting Management Fees to be utilized for adjustment in accordance Section 7.2(c) hereof with respect to such Fiscal Quarter and (ii) that the aggregate amount of all Offsetting Management Fees to be paid by all of the Subsidiaries of the Company with respect to any Fiscal Quarter shall not exceed the aggregate amount of the Management Fee calculated with respect to such Fiscal Quarter; *provided*, that if the aggregate amount of all Offsetting Management Fees to be paid by all of the Subsidiaries of the Company with respect to any Fiscal Quarter exceed the aggregate amount of Management Fee calculated with respect to such Fiscal Quarter, then the Manager agrees that it shall reduce, on a *pro rata* basis, the Offsetting Management Fees to be paid by each of the Subsidiaries of the Company under each of the Offsetting Management Agreements, determined by reference to the Adjusted Net Assets of each of the Subsidiaries of the Company, until the aggregate amount of all Offsetting Management Fees to be paid by all of the Subsidiaries of the Company with respect to any Fiscal Quarter does not exceed the aggregate amount of Management Fee calculated with respect to such Fiscal Quarter. Each such Offsetting Management Services Agreement shall be terminable, without penalty (including a termination fee), by the relevant Subsidiary of the Company upon 30 days prior written notice. Entry into an Offsetting Management Services Agreement by any Subsidiary of the Company shall not be subject to authorization and approval of the Company's nominating and corporate governance committee.

Section 3.5 Change of Services

(a) The Company and the Manager shall have the right at any time during the term of this Agreement to change the Services provided by the Manager and such changes shall in no way otherwise affect the rights or obligations of any Party hereunder.

(b) Any change in the Services shall be authorized in writing and evidenced by an amendment to this Agreement, as provided in Section 13.9 hereof. Unless otherwise agreed in writing, the provisions of this Agreement shall apply to all changes in the Services.

Section 3.6 Transaction Services

Notwithstanding anything else to the contrary herein, the Company agrees that the Manager may, at any time, enter into transaction services agreements with one or more of its Subsidiaries (“***Transaction Services Agreements***”) relating to the performance by the Manager of certain transaction-related services that are customarily performed by a third-party investment banking firm or similar financial advisor, which may or may not be similar to Services to be provided hereunder, in connection with the acquisition of target businesses by the Company or the Company’s Subsidiaries or dispositions of Subsidiaries of the Company or any property or assets of the Company or its Subsidiaries (“***Transaction Services***”); *provided*, that such Transaction Services Agreement shall be designated as such therein; *provided*, *further*, that any Transaction Services provided to the Company’s Subsidiaries pursuant to Transaction Services Agreements shall not be deemed to be Services provided hereunder. The Manager shall contract for the performance of such Transaction Services on market terms and conditions. Entry into a Transaction Services Agreement shall be subject to the authorization and approval of the Company’s nominating and corporate governance committee, and the Company’s nominating and corporate governance committee shall have the right to take whatever measures they deem prudent to confirm the market terms of any Transaction Services Agreement. Any fee to be paid pursuant to a Transaction Services Agreement (the “***Transaction Fee***”) shall be paid by the relevant Subsidiary of the Company that is a party to the corresponding Transaction Services Agreement directly to the Manager. Transaction Fees are not Offsetting Management Fees and shall not have the effect of Offsetting Management Fees as provided herein. Any Transaction Services Agreement may also provide for the reimbursement of costs and expenses of the Manager in the performance of any Transaction Services, including costs and expenses referenced in Section 7.3(b)(iii) hereof.

Section 3.7 License

(a) The Manager hereby grants the Company, subject to the terms and conditions of this Agreement, a non-exclusive, royalty-free right to use the following trademarked names (“***Manager Marks***”) in connection with its business and operations or as may be required to comply with applicable law:

(i) Compass Diversified Trust

(ii) Compass Group Diversified Holdings

(iii) www.compassdiversifiedtrust.com

(iv) www.compasstrust.com

Notwithstanding the foregoing, the Company shall be permitted to (i) sublicense the use, on any terms and conditions consistent and coextensive with this Section 3.7, of any of the Manager Marks to the Trust to use in connection with its business and operations or as may be required to comply with applicable law and (ii) sublicense the use, on any terms and conditions consistent and co-extensive with this Section 3.7, of any of the Manager Marks to any of the Company's Subsidiaries to use in connection with its business and operations or as may be required to comply with applicable law.

(b) The Company agrees to notify the Manager promptly upon notice of (a) any conflicting uses of, or any applications of or registrations for, a trademark, service mark or logo that may conflict with the Manager Marks, (b) any acts of infringement or unfair competition involving the Manager Marks or (c) any allegations that the use of the Manager Marks by the Company or any of its Affiliates infringe upon the trademark or service mark or other rights, including without limitation, rights relating to unfair competition of any other Person.

(c) The Manager shall have the sole right to initiate any opposition, cancellation or infringement proceedings necessary to enforce the Manager Marks. The Manager shall have the right to include the Company or its Affiliates as a party in any such enforcement proceedings where necessary, and the Company agrees to join in such proceedings, at the Manager's sole cost and expense as a voluntary plaintiff or claimant upon request of the Manager, and the Company shall cooperate with the Manager in such proceedings, at the Manager's sole cost and expense. The Manager shall have the sole right to control and settle any such proceedings.

ARTICLE IV

POWERS OF THE MANAGER

Section 4.1 Powers of the Manager

(a) The Manager shall have no power to enter into any contract for or on behalf of the Company or otherwise subject it to any obligation, such power to be the sole right and obligation of the Company, acting through its Board of Directors and/or the Company Officers.

(b) Subject to Section 4.2 and for purposes other than to delegate its duties and powers to perform the Services hereunder, the Manager shall have the power to engage any agents (including real estate agents and managing agents), valuers, contractors and advisors (including accounting, financial, tax and legal advisors) that it deems necessary or desirable in connection with the performance of its obligations hereunder, which costs therefor shall be subject to reimbursement in accordance with Section 7.3 hereto.

Section 4.2 Delegation

The Manager may delegate or appoint:

(a) Any of its Affiliates as its agent, at its own cost and expense, to perform any or all of the Services hereunder; or

(b) Any other Person, whether or not an Affiliate of the Manager, as its agent, at its own cost and expense, to perform those Services hereunder which, in the sole discretion of the Manager, are not critical to the ability of the Manager to satisfy its obligations hereunder;

provided, however, that, in each case, the Manager shall not be relieved of any of its obligations or duties owed to the Company hereunder as a result of such delegation. The Manager shall be permitted to share Company information with its appointed agents subject to appropriate and reasonable confidentiality arrangements. For the avoidance of doubt, any reference to Manager herein shall include its delegates or appointees pursuant to this Section 4.2.

Section 4.3 Manager’s Obligations, Duties and Powers Exclusive

The Company agrees that during the term of this Agreement, the obligations, duties and powers imposed on and granted to the Manager under Article III and this Article IV are to be performed or held exclusively by the Manager or its delegates and the Company shall not, through the exercise of the powers of their employees, Boards of Directors or their shareholders or members, as the case may be, perform any of the Services except in circumstances where it is necessary to do so to comply with applicable law or as otherwise agreed to or delegated, in accordance with Section 4.2 hereof, by the Manager in writing.

ARTICLE V

INSPECTION OF RECORDS

Section 5.1 Books and Records of the Company

At all reasonable times and on reasonable notice, the Manager and any Person authorized by the Manager shall have access to, and the right to inspect, for any reasonable purpose, during the term of this Agreement and for a period of five (5) years after termination hereof, the books, records and data stored in computers and all documentation of the Company pertaining to all Services performed by the Manager or the Management Fee to be paid by the Company to the Manager, in each case, hereunder. There shall be no cost or expense charged by any Party to another Party pursuant to the exercise of rights under this Section 5.1.

Section 5.2 Books and Records of the Manager

At all reasonable times and on reasonable notice, any Person authorized by the Company shall have access to, and the right to inspect the books, records and data stored in computers and all documentation of the Manager pertaining to all Services performed by the Manager or the Management Fee to be paid by the Company to the Manager, in each case, hereunder. There shall be no cost or expense charged by any Party to another Party pursuant to the exercise of rights under this Section 5.2.

ARTICLE VI

AUTHORITY OF THE COMPANY
AND THE MANAGER

Each Party represents to the others that it is duly authorized with full power and authority to execute, deliver and perform its obligations and duties under this Agreement. The Company represents that the engagement of the Manager has been duly authorized by the Board of Directors of the Company and is in accordance with all governing documents of the Company.

ARTICLE VII

MANAGEMENT FEE; EXPENSES

Section 7.1 IPO Expenses

The Company agrees to reimburse the Manager and its Affiliates, within five (5) Business Days after the Commencement Date, for certain costs and expenses Incurred or to be Incurred prior to and in connection with the IPO upon the provision of reasonably sufficient support for such reimbursement. Any such reimbursement shall be made in U.S. dollars by wire transfer in immediately available funds to an account or accounts designated by the Manager from time to time.

Section 7.2 Management Fee

(a) **Obligation.** Subject to the terms and conditions set forth in this Section 7.2, for the term of this Agreement, (i) the MSA Administrator shall calculate the fee payable to the Manager in accordance with this Section 7.2 (the "***Management Fee***"), and the components thereof, in accordance with Section 7.2(b) hereof and (ii) the Company shall pay the Management Fee to the Manager in accordance with Section 7.2(d) hereof.

(b) **Calculation of Management Fee.** Subject to Section 7.2(e) hereof, as payment to the Manager for performing Services hereunder during any Fiscal Quarter or any part thereof, the MSA Administrator, as of any Calculation Date with respect to such Fiscal Quarter, shall calculate, on or promptly following such Calculation Date, the Management Fee with respect to such Fiscal Quarter, which shall be equal to, as of such Calculation Date, the *product* of (i) 0.5%, *multiplied by* (ii) Adjusted Net Assets as of such Calculation Date; *provided, however,* that, with respect to the Fiscal Quarter in which the Commencement Date occurs, the Management Fee shall be equal to the *product* of (i)(x) 0.5%, *multiplied by* (y) the Adjusted Net Assets as of such Calculation Date, *multiplied by* (ii) a fraction, the numerator of which is the number of days from and including the Commencement Date to and including the last day of such Fiscal Quarter and the denominator of which is the number of days in such Fiscal Quarter; *provided, further, however,* that, with respect to the Fiscal Quarter in which this Agreement is terminated, the Management Fee shall be equal to the *product* of (i)(x) 0.5%, *multiplied by* (y) the Adjusted Net Assets as of such Calculation Date, *multiplied by* (ii) a fraction, the numerator of which is the number of days from and including the first day of such Fiscal Quarter to but excluding the date upon which this Agreement is terminated and the denominator of which is the number of days in

such Fiscal Quarter (such amount so calculated in accordance with this proviso, the "***Final Management Fee***").

(c) **Adjustment of Management Fee.** The amount of any Management Fee calculated in accordance with Section 7.2(b) hereof as of any Calculation Date shall be adjusted, on a dollar-for-dollar basis (such Management Fee, as adjusted, the "***Adjusted Management Fee***"), by the MSA Administrator immediately prior to the Management Fee Payment Date with respect to such Calculation Date (such date of adjustment, the "***Adjustment Date***") as follows:

(i) reduced, on a dollar-for-dollar basis, by the aggregate amount of all Offsetting Management Fees, if any, received by the Manager from any of the Subsidiaries of the Company with respect to such Fiscal Quarter as of the date of such adjustment;

(ii) reduced, on a dollar-for-dollar basis, by the aggregate amount of all Over-Paid Management Fees, if any, existing as of such Calculation Date;

(iii) increased, on a dollar-for-dollar basis, by the aggregate amount of all Under-Paid Management Fees, if any, existing as of such Calculation Date; and

(iv) increased, on a dollar-for-dollar basis, by the aggregate amount of all accrued and unpaid Management Fees, if any, as of such Calculation Date, without duplication of any of the foregoing.

(d) **Payment of Adjusted Management Fee.** Subject to Section 7.2(f) hereof, the Company shall pay to the Manager, on the Management Fee Payment Date with respect to any Calculation Date, the Adjusted Management Fee as of such Calculation Date. Any such payment shall be made in U.S. dollars by wire transfer in immediately available funds to an account or accounts designated by the Manager from time to time.

(e) **Basis for Calculation of Management Fee and Adjusted Management Fee.** The calculation of Management Fee, including the components thereof, with respect to any Fiscal Quarter on any Calculation Date shall be based on (i) the Company's audited consolidated financial statements to the extent available, (ii) if audited consolidated financial statements are not available, then the Company's unaudited consolidated financial statements to the extent available, and (iii) if neither audited nor unaudited consolidated financial statements are available, then the Company's books and records then available; *provided*, that, with respect to any calculation of the Management Fee based on the Company's books and records, upon availability of the earlier of (x) the Company's audited consolidated financial statements and (y) the Company's unaudited consolidated financial statements, in each case, relating to amounts previously calculated on such Calculation Date by reference to the Company's books and records, the MSA Administrator shall recalculate (A) any Management Fees, and any components thereof, that were previously calculated based on such books and records and (B) any Adjusted Management Fees that were calculated based on such Management Fees, in each case, to determine if any Over-Paid Management Fee or Under-Paid Management Fee were outstanding as of such Calculation Date; *provided*, *further,* that the amount so recalculated shall be conclusive and binding on the Parties hereto and no further recalculations shall be required or

permitted except that a further recalculation shall be required and performed (A) upon a demonstration of clear error with respect to any prior calculation or recalculation or (B) upon the restatement of the consolidated financial statements of the Company, or any amounts therein, underlying any prior calculation or recalculation, in each case, at any time. The calculation of Adjusted Management Fees, including the components thereof, as of any Adjustment Date shall be made based on information that is available as of such Adjustment Date; *provided*, that if any events, including the payment of Offsetting Management Fees, occur after such Adjustment Date that would affect the amount of Adjusted Management Fees calculated as of such Adjustment Date, then the MSA Administrator shall recalculate Adjusted Management Fees as of such Adjustment Date to determine if any Over-Paid Management Fee or Under-Paid Management Fee were created as of the Calculation Date immediately succeeding such Adjustment Date. Notwithstanding the foregoing, the calculation of the Final Management Fee, including the components thereof, shall be made and based on the Company's unaudited consolidated financial statements for the applicable Fiscal Quarter when such unaudited consolidated financial statements are available; *provided*, that, once calculated, no further recalculation of Final Management Fee shall be required or permitted.

(f) **Sufficient Liquidity.** If the Company does not have sufficient liquid assets to timely pay the entire amount of the Management Fee due on any Management Fee Payment Date, the Company shall liquidate assets or Incur Indebtedness in order to pay such Management Fee in full on such Management Fee Payment Date; *provided*, that the Manager may elect, in its sole discretion by delivery of written notice to the Company prior to such Management Fee Payment Date, to allow the Company to defer the payment of all or any portion of the Management Fee otherwise due and payable on such Management Fee Payment Date until the next succeeding Management Fee Payment Date and, thereby, enable the Company to avoid such liquidation or Incurrence. For the avoidance of doubt, the Manager may make such election to allow the Company to defer the payment of Management Fees more than once.

(g) **Books and Records.** The MSA Administrator shall maintain cumulative books and records with respect to the details of any calculations made pursuant to this Section 7.2, which records shall be available for inspection and reproduction at any time upon request by the Board of Directors of the Company and, if the Manager is not the MSA Administrator, the Manager.

Section 7.3 Reimbursement of Expenses

(a) Subject to Sections 7.1 and 8.2 hereof, the Company shall reimburse the Manager for the following amounts that are actually Incurred by the Manager during the term of this Agreement:

(i) all costs and expenses of the Company that are Incurred by the Manager or its Affiliates on behalf of the Company, including all out-of-pocket costs and expenses Incurred in connection with performing Services hereunder, and all costs and expenses the reimbursement of which is specifically approved by the Board of Directors of the Company; and

(ii) the compensation and other costs and expenses of the Chief Financial Officer and his or her staff, as approved by the Company's compensation committee.

(b) Notwithstanding the foregoing or anything else to the contrary herein, none of the Company, any Subsidiary of the Company or their Subsidiaries shall be obligated or responsible for reimbursing or otherwise paying for any costs or expenses relating to (i) the Manager's overhead or any other costs and expenses relating to the Manager's conduct or maintenance of its business and operations as a provider of services, (ii) costs and expenses Incurred by the Manager in connection with the identification, evaluation, management, performance of due diligence on, negotiating and oversight of potential acquisitions by the Company where the Company (or the Manager on behalf of the Company) does not submit an indication of interest or letter of intent to pursue such potential acquisition, including costs and expenses relating to travel, marketing and attendance at industry events and retention of outside service providers relating thereto and (iii) costs and expenses Incurred by the Manager in connection with the identification, evaluation, management, performance of due diligence on, negotiating and oversight of an acquisition by the Company if both (x) such acquisition is actually closed by the Company and (y) the Subsidiary so acquired, by any manner whatsoever, in connection with such acquisition has entered into a Transaction Services Agreement with the Manager under which such costs and expenses are being reimbursed.

(c) Any such reimbursement shall be made upon demand by the Manager in U.S. dollars by wire transfer in immediately available funds to an account or accounts designated by the Manager from time to time.

(d) Except as otherwise provided for in this Section 7.3, all reimbursements made pursuant to this Section 7.3 shall be reviewed by the Company's compensation committee on an annual basis in connection with the preparation of the Company's year-end audited consolidated financial statements. If the Company's compensation committee identifies any discrepancy in such reimbursements, then the Company's compensation committee, on behalf of the Company, and the Manager shall mutually resolve such discrepancy.

ARTICLE VIII

SECONDMENT OF OFFICERS BY THE MANAGER

Section 8.1 Secondment of the Chief Executive Officer and Chief Financial Officer

The Manager shall second to the Company individuals to serve as the Company's Chief Executive Officer and Chief Financial Officer. The Company's Board of Directors shall elect the seconded Chief Executive Officer and Chief Financial Officer as officers of the Company in accordance with the terms of the LLC Agreement and the operational objectives and business plans of the Company in existence from time to time. The seconded Chief Executive Officer and Chief Financial Officer shall report directly, and be subject, to the Company's Board of Directors.

Section 8.2 Remuneration of the Chief Executive Officer and Chief Financial Officer

(a) The Chief Executive Officer and Chief Financial Officer seconded to the Company pursuant to this Article VIII shall, at all times, remain employees of, and be remunerated by, the Manager or an Affiliate of the Manager.

(b) Except as set forth in Section 8.2(c) hereof, the Services performed for the Company by the Chief Executive Officer and all other personnel, if any, of the Manager or its Affiliates shall be provided at the cost of the Manager or an Affiliate of the Manager. For the avoidance of doubt, except as set forth in Section 8.2(c) hereof, the Company shall have no obligation to reimburse the Manager for the compensation and other expenses of any employees, representatives, delegates and seconded officers of the Manager and its Affiliates.

(c) The Services performed by the Chief Financial Officer and his or her staff shall be provided at the cost of the Manager or an Affiliate of the Manager and reimbursed by the Company pursuant to Section 7.3 of this Agreement.

(d) The remuneration of the Chief Financial Officer and any member of his or her staff that serves as an executive officer of the Company shall be determined and approved by the Company's compensation committee upon such Person's engagement and on an annual basis thereafter, with each annual determination and approval occurring in the year prior to the year to which such remuneration relates by reference to the following:

(i) The standard remuneration guidelines as adopted by the Company or the Manager from time to time;

(ii) The respective individual's performance, the Manager's performance and the performance, financial or otherwise, of the Company and its Subsidiaries; and

(iii) The assessment by the Board of Directors of the Company of the respective individual's performance and the performance of the Manager.

(e) The Manager shall disclose the amount of remuneration of the Chief Financial Officer and any other officer or employee seconded to the Company, including the Chief Executive Officer, to the Board of Directors of the Company to the extent required for the Company to comply with the requirements of applicable law, including the Federal Securities Laws.

Section 8.3 Secondment of Additional Officers

The Manager and the Company's Board of Directors may agree from time to time that the Manager shall second to the Company one or more additional individuals to serve as officers or otherwise of the Company, upon such terms as the Manager and the Company's Board of Directors may mutually agree. Any such individuals shall have such titles and fulfill such functions as the Manager and the Company may mutually agree.

Section 8.4 Removal of Seconded Officers

The Company's Board of Directors, after due consultation with the Manager, may at any time request that the Manager replace any individual seconded to the Company as provided in this Article VIII and the Manager shall, as promptly as practicable, replace any individual with respect to whom the Board of Directors shall have made its request, subject to the requirements for the election of officers under the LLC Agreement.

Section 8.5 Insurance

The Company agrees it shall maintain adequate directors and officers insurance for any individuals seconded to the Company, with liability coverage of no less than $15 million.

ARTICLE IX

TERMINATION; RESIGNATION AND REMOVAL OF THE MANAGER

Section 9.1 Resignation by the Manager

The Manager may resign and terminate this Agreement at any time with 90 days' prior written notice to the Company, which right shall not be contingent upon the finding of a replacement manager. However, if the Manager resigns, until the date on which the resignation becomes effective, the Manager shall, upon request of the Company's Board of Directors, use reasonable efforts to assist the Company's Board of Directors to find a replacement manager at no cost and expense to the Company.

Section 9.2 Removal of the Manager

The Company's Board of Directors may terminate this Agreement and the Manager's appointment if, at any time:

(a) (i) a majority of the Company's Board of Directors vote to terminate this Agreement and (ii) the holders of at least a majority of the then outstanding Trust Shares (other than Trust Shares beneficially owned by the Manager) vote to terminate this Agreement.

(b) neither I. Joseph Massoud nor his designated successor is the managing member of the Manager, and such change occurred without the prior written consent of the Company's Board of Directors;

(c) there is a finding by a court of competent jurisdiction in a final, non-appealable order that (i) the Manager materially breached the terms of this Agreement and such breach continued unremedied for sixty (60) days after the Manager received written notice from the Company setting forth the terms of such breach, or (ii) the Manager (x) acted with gross negligence, willful misconduct, bad faith or reckless disregard in performing its duties and obligations under this Agreement or (y) engaged in fraudulent or dishonest acts in connection with the business and operations of the Company;

(d) (i) the Manager has been convicted of a felony under Federal or State law, (ii) the Company's Board of Directors finds that the Manager is demonstrably and materially incapable of performing its duties and obligations under this Agreement, and (iii) the holders of at least sixty-six and two-thirds percentage (66 $^{2}/_{3}$%) of then outstanding Trust Shares (other than Trust Shares beneficially owned by the Manager) vote to terminate this Agreement; or

(e) (i) there is a finding by a court of competent jurisdiction that the Manager has (x) engaged in fraudulent or dishonest acts in connection with the business or operations of the Company or (y) gross negligence, willful misconduct, bad faith or reckless disregard in

performing its duties and obligations under this Agreement, and (ii) the holders of at least sixty-six and two-thirds percentage (66 $^2/_3$%) of the then outstanding Trust Shares (other than Trust Shares beneficially owned by the Manager) vote to terminate this Agreement.

Section 9.3 Termination

Subject to Section 13.4, this Agreement shall terminate upon the resignation or removal of the Manager in accordance with Sections 9.1 or 9.2 hereof.

Section 9.4 Seconded Individuals

Upon the termination of this Agreement, all seconded officers, including the Chief Executive Officer and Chief Financial Officer, employees, representatives and delegates of the Manager and its Affiliates who perform Services hereunder, shall resign their respective positions with the Company and cease working on behalf of the Company as of the date of such termination or at such other time as determined by the Manager. Any Manager appointed director may continue to serve on the Company's Board of Directors subject to the terms of the LLC Agreement.

Section 9.5 Termination of License; Withdrawal of Branding

If this Agreement is terminated pursuant to Section 9.2 of this Agreement, the right granted pursuant to Section 3.7 hereof shall terminate within 180 days of such termination and the Company agrees, and the Company agrees to cause the Trust and its Subsidiaries, to cease using the term "Compass" or any of the Manager Marks entirely in its or their business or operations, as the case may be, within 180 days of such termination, including by changing its name to remove any reference to the term "Compass" or the Manager Marks; *provided*, that, to the extent the Board of Directors of the Company deems it necessary or advisable, the Manager agrees that the Trust, the Company and the Subsidiaries of the Company may use the term "Compass" or any of the Manager Marks in referencing their previous names.

Section 9.6 Directions

After a written notice of termination has been given under this Article IX, the Company may direct the Manager to undertake any actions necessary to transfer any aspect of the ownership or control of the assets of the Company to the Company or to any nominee of the Company and to do all other things necessary to bring the appointment of the Manager to an end, and the Manager shall comply with all such reasonable directions. In addition, the Manager shall, at the Company's expense, deliver to any new manager or the Company any books or records held by the Manager under this Agreement and shall execute and deliver such instruments and do such things as may reasonably be required to permit new management of the Company to effectively assume its responsibilities.

Section 9.7 Payments Upon Termination

(a) Notwithstanding anything in this Agreement to the contrary, the fees, costs and expenses payable to the Manager pursuant to Article VII hereof shall be payable to the Manager upon, and with respect to, the termination of this Agreement pursuant to this Article IX. All

payments made pursuant to this Section 9.7(a) shall be made in accordance with Article VII hereof.

(b) Upon termination of this Agreement pursuant to the event set forth in Section 9.2(a) hereof, the Company shall pay the Termination Fee to the Manager. The Termination Fee shall be payable in eight (8) equal quarterly installments, with the first such installment being paid on or within five (5) Business Days of the last day of the Fiscal Quarter in which the Termination Fee Date occurs and each subsequent installment being paid on or within five (5) Business Days of the last day of each subsequent Fiscal Quarter, until such time as the Termination Fee is paid in full to the Manager. Any payments made pursuant to this Section 9.7(b) shall be made in U.S. dollars by wire transfer in immediately available funds to an account or accounts designated by the Manager from time to time.

(c) Subject to Section 9.7(a) hereof, no termination fee shall be due or payable by the Company to the Manager upon termination of this Agreement pursuant to any of the events set forth in Section 9.2(b) to Section 9.2(e) hereof, inclusive.

ARTICLE X

INDEMNITY

Section 10.1 Indemnity

The Company shall indemnify, reimburse, defend and hold harmless the Manager and its successors and permitted assigns, together with their respective employees, officers, members, managers, directors, agents and representatives (collectively the "***Indemnified Parties***"), from and against all losses (including lost profits), costs, damages, injuries, taxes, penalties, interests, expenses, obligations, claims and liabilities (joint or severable) of any kind or nature whatsoever (collectively "***Losses***") that are Incurred by such Indemnified Parties in connection with, relating to or arising out of (i) the breach of any term or condition of this Agreement, or (ii) the performance of any Services hereunder; *provided*, *however*, that the Company shall not be obligated to indemnify, reimburse, defend or hold harmless any Indemnified Party for any Losses Incurred, by such Indemnified Party in connection with, relating to or arising out of:

(a) a breach by such Indemnified Party of this Agreement;

(b) the gross negligence, willful misconduct, bad faith or reckless disregard of such Indemnified Party in the performance of any Services hereunder; or

(c) fraudulent or dishonest acts of such Indemnified Party with respect to the Company or any of its Subsidiaries.

The rights of any Indemnified Party referred to above shall be in addition to any rights that such Indemnified Party shall otherwise have at law or in equity.

Without the prior written consent of the Company, no Indemnified Party shall settle, compromise or consent to the entry of any judgment in, or otherwise seek to terminate any, claim, action, proceeding or investigation in respect of which indemnification could be sought hereunder unless (a) such Indemnified Party indemnifies the Company from any liabilities arising out of such claim, action, proceeding or investigation, (b) such settlement, compromise or consent includes an unconditional release of the Company and Indemnified Party from all liability arising out of such claim, action, proceeding or investigation and (c) the parties involved agree that the terms of such settlement, compromise or consent shall remain confidential.

Section 10.2 Insurance

The Company agrees it shall maintain adequate insurance in support of the indemnity obligation set forth in this Article X.

ARTICLE XI

LIMITATION OF LIABILITY OF THE MANAGER

Section 11.1 Limitation of Liability

The Manager shall not be liable for, and the Company shall not take, or permit to be taken, any action against the Manager to hold the Manager liable for, any error of judgment or mistake of law or for any loss suffered by the Company or its Subsidiaries (including, without limitation, by reason of the purchase, sale or retention of any security) in connection with the performance of the Manager’s duties under this Agreement, except for a loss resulting from gross negligence, willful misconduct, bad faith or reckless disregard on the part of the Manager in the performance of its duties and obligations under this Agreement, or its fraudulent or dishonest acts with respect to the Company or any of its Subsidiaries.

Section 11.2 Reliance of Manager

The Manager may take and may act and rely upon:

(a) the opinion or advice of legal counsel, which may be in-house counsel to the Company or the Manager, any U.S.-based law firm, or other legal counsel reasonably acceptable to the Board of Directors of the Company, in relation to the interpretation of this Agreement or any other document (whether statutory or otherwise) or generally in connection with the Company;

(b) advice, opinions, statements or information from bankers, accountants, auditors, valuation consultants and other Persons consulted by the Manager who are in each case believed by the Manager in good faith to be expert in relation to the matters upon which they are consulted;

(c) a document which the Manager believes in good faith to be the original or a copy of an appointment by the Trust in respect of any Trust Interest or holder of a Trust Certificate in respect of a share of Trust Shares of a Person to act as such Person’s agent for any purpose connected with the Company; and

(d) any other document provided to the Manager in connection with the Company upon which it is reasonable for the Manager to rely.

The Manager shall not be liable for anything done, suffered or omitted by it in good faith in reliance upon such opinion, advice, statement, information or document.

ARTICLE XII

LEGAL ACTIONS

Section 12.1 Third Party Claims

(a) The Manager shall notify the Company promptly of any claim made by any third party in relation to the assets of the Company and shall send to the Company any notice, claim, summons or writ served on the Manager concerning the Company.

(b) The Manager shall not, without the prior written consent of the Board of Directors of the Company, purport to accept or admit any claims or liabilities of which it receives notification pursuant to Section 12.1(a) above on behalf of the Company or make any settlement or compromise with any third party in respect of the Company.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Obligation of Good Faith; No Fiduciary Duties

The Manager shall perform its duties under this Agreement in good faith and for the benefit of the Company. The relationship of the Manager to the Company is as an independent contractor and nothing in this Agreement shall be construed to impose on the Manager an express or implied fiduciary duty.

Section 13.2 Binding Effect

This Agreement shall be binding upon, shall inure to the benefit of and be enforceable by the Parties hereto and their respective successors and permitted assigns.

Section 13.3 Compliance

(a) The Manager shall (and must ensure that each of its officers, agents and employees) comply with any law, including the Federal Securities Laws and the securities laws of any applicable jurisdiction and the Nasdaq National Market (or any successor thereto) rules and regulations, in each case, as in effect from time to time, to the extent that it concerns the functions of the Manager under this Agreement.

(b) The Manager shall maintain management systems, policies and internal controls and procedures that reasonably ensure that the Manager and its employees comply with the terms and conditions of this Agreement, as well as comply with the internal policies, controls and

procedures established by the Company from time to time, including, without limitation, those relating to trading policies, conflicts of interest and similar corporate governance measures.

Section 13.4 Effect of Termination

This Agreement shall be effective as of the date first above written and shall continue in full force and effect thereafter until termination hereof in accordance with Article IX. The obligations of the Company set forth in Articles VII, IX and X and Sections 8.2(c), 11.1, 13.5, 13.9 and 13.17 hereof shall survive such termination of this Agreement, subject to applicable law.

Section 13.5 Notices

Any notice or other communication required or permitted under this Agreement shall be deemed to have been duly given (i) five (5) Business Days following deposit in the mails if sent by registered or certified mail, postage prepaid, (ii) when sent, if sent by facsimile transmission, if receipt thereof is confirmed by telephone, (iii) when delivered, if delivered personally to the intended recipient and (iv) two (2) Business Days following deposit with a nationally recognized overnight courier service, in each case addressed as follows:

If to the Company, to:

Attention: Chief Executive Officer
Compass Group Diversified Holdings LLC
Sixty One Wilton Road, Second Floor
Westport, CT 06880
Fax: 203-221-8253

with a copy (which shall not constitute notice) to its counsel:

Attention: Cynthia M. Krus
Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Fax: 202-637-3593

If to the Manager, to:

Attention: I. Joseph Massoud
Compass Group Management LLC
Sixty One Wilton Road, Second Floor
Westport, CT 06880
Fax: 203-221-8253

with a copy (which shall not constitute notice) to its counsel:

Attention: Stephen C. Mahon
Squire Sanders & Dempsey LLP
312 Walnut Street, Suite 3500

Cincinnati, OH 45202
Fax: 513-361-1201

and

Attention: Brian B. Snarr
Morrison Cohen, LLP
909 Third Avenue
New York, NY 10022
Fax: 212-735-8708

or to such other address or facsimile number as any such Party may, from time to time, designate in writing to all other Parties hereto, and any such communication shall be deemed to be given, made or served as of the date so delivered or, in the case of any communication delivered by mail, as of the date so received.

Section 13.6 Headings

The headings in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect.

Section 13.7 Applicable Law

This Agreement, the legal relations between and among the Parties and the adjudication and the enforcement thereof shall be governed by and interpreted and construed in accordance with the laws of the State of New York, without regard to the conflicts of law provisions thereof to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

Section 13.8 Submission to Jurisdiction; Waiver of Jury Trial

Each of the Parties hereby irrevocably acknowledges and consents that any legal action or proceeding brought with respect to any of the obligations arising under or relating to this Agreement may be brought in the courts of the State of New York, County of New York or in the United Stales District Court for the Southern District of New York and each of the Parties hereby irrevocably submits to and accepts with regard to any such action or proceeding, for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. Each Party hereby further irrevocably waives any claim that any such courts lack jurisdiction over such Party, and agrees not to plead or claim, in any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby brought in any of the aforesaid courts, that any such court lacks jurisdiction over such Party. Each Party irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party, at its address for notices set forth in Section 13.5 hereof, such service to become effective ten (10) days after such mailing. Each Party hereby irrevocably waives any objection to such service of process and further irrevocably waives and agrees not to plead or claim in any action or proceeding commenced hereunder or under any other documents contemplated hereby that service of

process was in any way invalid or ineffective. The foregoing shall not limit the rights of any Party to serve process in any other manner permitted by applicable law. The foregoing consents to jurisdiction shall not constitute general consents to service of process in the State of New York for any purpose except as provided above and shall not be deemed to confer rights on any Person other than the respective Parties.

Each of the Parties hereby waives any right it may have under the laws of any jurisdiction to commence by publication any legal action or proceeding with respect this Agreement. To the fullest extent permitted by applicable law, each of the Parties hereby irrevocably waives the objection which it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Agreement in any of the courts referred to in this Section 13.8 and hereby further irrevocably waives and agrees not to plead or claim that any such court is not a convenient forum for any such suit, action or proceeding.

The Parties agree that any judgment obtained by any Party or its successors or assigns in any action, suit or proceeding referred to above may, in the discretion of such Party (or its successors or assigns), be enforced in any jurisdiction, to the extent permitted by applicable law.

The Parties agree that the remedy at law for any breach of this Agreement may be inadequate and that should any dispute arise concerning any matter hereunder, this Agreement shall be enforceable in a court of equity by an injunction or a decree of specific performance. Such remedies shall, however, be cumulative and nonexclusive, and shall be in addition to any other remedies which the Parties may have.

Each Party hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation as between the Parties directly or indirectly arising out of, under or in connection with this Agreement or the transactions contemplated hereby or disputes relating hereto. Each Party (i) certifies that no representative, agent or attorney of any other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other Parties have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 13.8.

Section 13.9 Amendment; Waivers

No term or condition of this Agreement may be amended, modified or waived without the prior written consent of the Party against whom such amendment, modification or waiver will be enforced; *provided*, that any amendment of Article VII or Section 8.2 hereof shall not be effective as to any Party hereto unless such amendment was authorized and approved by the Company’s compensation committee. Any waiver granted hereunder shall be deemed a specific waiver relating only to the specific event giving rise to such waiver and not as a general waiver of any term or condition hereof.

Section 13.10 Remedies to Prevailing Party

If any action at law or equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys’ fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 13.11 Severability

Each provision of this Agreement is intended to be severable from the others so that if, any provision or term hereof is illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect or impair the validity of the remaining provisions and terms hereof; *provided, however*, that the provisions governing payment of the Management Fee described in Article VII hereof are not severable.

Section 13.12 Benefits Only to Parties

Nothing expressed by or mentioned in this Agreement is intended or shall be construed to give any Person other than the Parties and their respective successors or permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained, this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Parties and their respective successors and permitted assigns, and for the benefit of no other Person.

Section 13.13 Further Assurances

Each Party hereto shall take any and all such actions, and execute and deliver such further agreements, consents, instruments and any other documents as may be necessary from time to time to give effect to the provisions and purposes of this Agreement.

Section 13.14 No Strict Construction

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by all Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

Section 13.15 Entire Agreement

This Agreement constitutes the sole and entire agreement of the Parties with regards to the subject matter of this Agreement. Any written or oral agreements, statements, promises, negotiations or representations not expressly set forth in this Agreement are of no force and effect.

Section 13.16 Assignment

This Agreement shall not be assignable by either party except by the Manager to any Person with which the Manager may merge or consolidate or to which the Manager transfers substantially all of its assets, and then only in the event that such assignee assumes all of the obligations to the Company and the Subsidiaries of the Company hereunder.

Section 13.17 Confidentiality

(a) The Manager shall not, and the Manager shall cause its Affiliates and their respective agents and representatives not to, at any time from and after the date of this Agreement, directly or indirectly, disclose or use any confidential or proprietary information involving or relating to (x) the Company, including any information contained in the books and records of the Company and (y) the Company's Subsidiaries, including any information contained in the books and records of any such Subsidiaries; *provided, however*, that disclosure

and use of any information shall be permitted (i) with the prior written consent of the Company, (ii) as, and to the extent, expressly permitted by this Agreement, any Offsetting Management Services Agreement, any Transaction Services Agreement or any other agreement between the Manager and the Company or any of the Company's Subsidiaries (but only to the extent that such information relates to such Subsidiaries), (iii) as, and solely to the extent, necessary or required for the performance by the Manager, any of its Affiliates or its delegates of any of their respective obligations under this Agreement, (iv) as, and to the extent, necessary or required in the operation of the Company's business or operations in the Ordinary Course of Business, (v) to the extent such information is generally available to, or known by, the public or otherwise has entered the public domain (other than as a result of disclosure in violation of this Section 13.17 by the Manager or any of its Affiliates), (vi) as, and to the extent, necessary or required by any governmental order, applicable law or any governmental authority, subject to Section 13.17(d), and (vii) as, and to the extent, necessary or required or reasonably appropriate in connection with the enforcement of any right or remedy relating to this Agreement, any Offsetting Management Services Agreement, any Transaction Services Agreement or any other agreement between the Manager and the Company or any of the Company's Subsidiaries.

(b) The Manager shall produce and implement policies and procedures that are reasonably designed to ensure compliance by the Manager's directors, officers, employees, agents and representatives with the requirements of this Section 13.17.

(c) For the avoidance of doubt, confidential information includes business plans, financial information, operational information, strategic information, legal strategies or legal analysis, formulas, production processes, lists, names, research, marketing, sales information and any other information similar to any of the foregoing or serving a purpose similar to any of the foregoing with respect to the business or operations of the Company or any of its Subsidiaries. However, the Parties are not required to mark or otherwise designate information as "confidential or proprietary information," "confidential" or "proprietary" in order to receive the benefits of this Section 13.17.

(d) In the event that the Manager is required by governmental order, applicable law or any governmental authority to disclose any confidential information of the Company or any of its Subsidiaries that is subject to the restrictions of this Section 13.17, the Manager shall (i) notify the Company or any of its Subsidiaries in writing as soon as possible, unless it is otherwise affirmatively prohibited by such governmental order, applicable law or such governmental authority from notifying the Company or any such Subsidiaries, as the case may be, (ii) cooperate with the Company or any such Subsidiaries to preserve the confidentiality of such confidential information consistent with the requirements of such governmental order, applicable law or such governmental authority and (iii) use its reasonable best efforts to limit any such disclosure to the minimum disclosure necessary or required to comply with such governmental order, applicable law or such governmental authority, in each case, at the cost and expense of the Company.

(e) Nothing in this Section 13.17 shall prohibit the Manager from keeping or maintaining any copies of any records, documents or other information that may contain information that is otherwise subject to the requirements of this Section 13.17, subject to its compliance with this Section 13.17.

(f) The Manager shall be responsible for any breach or violation of the requirements of this Section 13.17 by any of its agents or representatives.

Section 13.18 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above,

COMPASS GROUP MANAGEMENT LLC

By: ______________________________

Name:

Title:

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By: ______________________________

Name:

Title:

Exhibit 10.4

FORM OF

SUPPLEMENTAL PUT AGREEMENT

BY AND BETWEEN

COMPASS GROUP MANAGEMENT LLC

AND

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

Dated as of l, 2006

TABLE OF CONTENTS

ARTICLE I	DEFINITIONS	1
Section 1.1	Definitions.	1
ARTICLE II	PUT RIGHT	4
Section 2.1	Put Right.	4
ARTICLE III	OBLIGATION ABSOLUTE AND UNCONDITIONAL	6
ARTICLE IV	COVENANTS	6
Section 4.1	Best Efforts	6
Section 4.2	Board Observer	7
Section 4.3	Access to Books and Records	7
Section 4.4	Limitation on Sale of Assets	7
Section 4.5	Limitation on Indebtedness	7
Section 4.6	Limitation on Merger or Consolidation	8
Section 4.7	Restriction on Dividends and Other Distributions	8
ARTICLE V	INDEMNITY	8
ARTICLE VI	MISCELLANEOUS	9
Section 6.1	Binding Effect	9
Section 6.2	Effect of Termination	9
Section 6.3	Notices	9
Section 6.4	Headings	10
Section 6.5	Applicable Law	10
Section 6.6	Submission to Jurisdiction; Waiver of Jury Trial	10
Section 6.7	Amendments; Waivers	11
Section 6.8	Remedies to Prevailing Party	12
Section 6.9	Severability	12
Section 6.10	Benefits Only to Parties	12
Section 6.11	Further Assurances	12
Section 6.12	No Strict Construction	12
Section 6.13	Entire Agreement	12
Section 6.14	Counterparts	13

SUPPLEMENTAL PUT AGREEMENT (as amended, revised, supplemented or otherwise modified from time to time, this "***Agreement***"), dated as of ___, 2006 is made by and between COMPASS GROUP MANAGEMENT LLC, a Delaware limited liability company (the "***Holder***") and COMPASS GROUP DIVERSIFIED HOLDINGS LLC, a Delaware limited liability company (the "***Issuer***"). Each party hereto shall be referred to as, individually, a "***Party***" and, collectively, the "***Parties***".

WHEREAS, the Issuer was formed for the purpose of engaging in an initial public offering of shares of Compass Diversified Trust (the "***IPO***"), a Delaware statutory trust (the "***Trust***"), and the other transactions relating thereto (together with the IPO, the "***IPO Transactions***"), all as described in the Trust's and Issuer's prospectus, dated as of ___, 2006 (the "***Prospectus***");

WHEREAS, in connection with the formation of the Issuer, Holder acquired 100% of the Allocation Interests of the Issuer for a capital investment of $100,000 (the "***Capital Investment***"); *provided*, that the receipt of liquidity rights with respect to the Allocation Interests pursuant to this Agreement was a condition to the Holder's making of such Capital Investment and acquiring of such Allocation Interests;

WHEREAS, Holder made such Capital Investment for the purpose of providing funds to the Issuer to engage in the IPO Transactions, and Issuer believes that it was in Issuer's best interest to receive such Capital Investment and to use such Capital Investment to fund its activities relating to the IPO Transactions;

WHEREAS, Issuer has determined that it would be unable to engage in and consummate the IPO Transactions without the Capital Investment from the Holder; and

WHEREAS, Issuer agrees that in consideration of Holder having made such Capital Investment and Holder's participation in the consummation of the IPO Transactions for the benefit of the Issuer, Issuer desires to, and Issuer hereby does, grant the liquidity rights specified herein to the Holder with respect to the Allocation Interests.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions.

Except as otherwise noted, for all purposes of this Agreement, the following terms shall have the respective meanings set forth in this Section 1.1, which meanings shall apply equally to the singular and plural forms of the terms so defined and the words "herein," "hereof" and

"hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision:

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Allocation Interests" has the meaning set forth in the LLC Agreement.

"Board of Directors" means the Board of Directors of the Issuer, or any committee thereof that has been duly authorized by the Board of Directors to make a decision on the matter in question or bind the Issuer as to the matter in question.

"***Business Day***" means any day other than a Saturday, a Sunday or a day on which banks in The City of New York are required, permitted or authorized, by applicable law or executive order, to be closed for regular banking business.

"Capital Investment" has the meaning set forth in the recitals of this Agreement.

"Code" means the United States Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section of the Code shall be deemed to include a reference to any corresponding provision of law in effect in the future.

"Engagement Date" has the meaning set forth in Section 2.1(b) hereof.

"Fiscal Quarter" means the Issuer's fiscal quarter for purposes of its reporting obligations under the Exchange Act.

"GAAP" means generally accepted accounting principles in effect in the United States, consistently applied.

"Holder" has the meaning set forth in the preamble of this Agreement.

"***Holder Approved Investment Banks"*** has the meaning set forth in Section 2.1(a) hereof.

"Incur" means, with respect to any Indebtedness or other obligation of a Person, to create, issue, acquire (by conversion, exchange or otherwise), assume, suffer, guarantee or otherwise become liable in respect of such Indebtedness or other obligation.

"Indebtedness" means, with respect to any Person, (i) any liability for borrowed money, or under any reimbursement obligation relating to a letter of credit, (ii) all indebtedness (including bond, note, debenture, purchase money obligation or similar instrument) for the acquisition of any businesses, properties or assets of any kind (other than property, including inventory, and services purchased, trade payables, other expenses accruals and deferred compensation items arising in the Ordinary Course of Business), (iii) all obligations under leases that have been or should be, in accordance with GAAP, recorded as capital leases, (iv) any liabilities of others described in the preceding clauses (i) to (iii) (inclusive) that such Person has guaranteed or that is otherwise its legal liability, and (v) (without duplication) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in clauses (i) through (iv) above.

"Indemnified Parties" has the meaning set forth in Article V hereof.

"IPO" has the meaning set forth in the recitals of this Agreement.

"IPO Transactions" has the meaning set forth in the recitals of this Agreement.

"Issuer" has the meaning set forth in the preamble of this Agreement.

"***LLC Agreement***" means the Amended and Restated Operating Agreement of Compass Group Diversified Holdings LLC, dated as of the date hereof, including all exhibits and schedules attached thereto, as may be amended, revised, supplemented or otherwise modified from time to time.

"Managed Subsidiary' means any Subsidiary of the Issuer.

"***Management Services Agreement***" means the Management Services Agreement entered into by and among the Holder, the Issuer and the other parties thereto, dated as of the date hereof, as amended or otherwise modified from time to time.

"*Manager*" means the Holder in its capacity as manager of the Issuer under the Management Services Agreement.

"Maturity Amount" has the meaning set forth in Section 2.1(d) hereof.

"Maturity Date" has the meaning set forth in Section 2.1(d) hereof.

"Ordinary Course of Business" means, with respect to any Person, an action taken by such Person if such action is (i) consistent with the past practices of such Person and is taken in the normal day-to-day business or operations of such Person and (ii) which is not required to be specifically authorized or approved by the board of directors of such Person.

"Over-Paid Profit Distributions" has the meaning set forth in the LLC Agreement.

"Party" and ***"Parties"*** have the meaning set forth in the preamble of this Agreement.

"***Person***" means any individual, company (whether general or limited), limited liability company, corporation, trust, estate, association, nominee or other entity.

"*Profit Distribution Amount*" has the meaning set forth in the LLC Agreement.

"Prospectus" has the meaning set forth in the recitals of this Agreement.

"*Put Closing*" means the consummation of the purchase of the Put Securities for the Put Price on the Put Right Closing Date.

"Put Note" has the meaning set forth in Section 2.1(d) hereof.

"Put Notice" has the meaning set forth in Section 2.1(a) hereof.

"Put Price" has the meaning set forth in Section 2.1(b) hereof.

"Put Right" has the meaning set forth in Section 2.1(a) hereof.

"Put Right Closing Date" means the date that is the twentieth (20th) Business Day immediately following the day on which the second of the Holder Approved Investment Banks delivers its calculation of the Profit Distribution Amount to the Holder and Issuer in accordance with Section 2.1(b) hereof, or such other day as may be agreed upon by the Parties.

"Put Right Event" means the earlier of (i) the termination of the Management Services Agreement other than as a result of the Holder's resignation as Manager therefrom, and (ii) the Holder's resignation as Manager under the Management Services Agreement on any date that is at least three (3) years after the date hereof.

"Put Right Event Date" means the date upon which the Put Right Event occurs.

"Put Right Exercise Date" means the date upon which the Holder provides written notice to the Issuer exercising its Put Right in accordance with Section 2.1(a) hereof.

"Put Securities" has the meaning set forth in Section 2.1(a) hereof.

"***Subsidiary***" means, with respect to any Person, any corporation, company, joint venture, limited liability company, association or other entity in which such Person owns, directly or indirectly, more than 50% of the outstanding voting equity securities or interests, the holders of which are generally entitled to vote for the election of the Board of Directors or other governing body of such entity.

"Trust" has the meaning set forth in the recitals of this Agreement.

"Under-Paid Profit Distributions" has the meaning set forth in the LLC Agreement.

ARTICLE II
PUT RIGHT

Section 2.1 Put Right.

(a) **Obligation; Exercise.** Subject to the other terms and conditions set forth in this Section 2.1 hereof, upon the occurrence of the Put Right Event, the Holder shall have the right, but not the obligation (the "***Put Right***"), which right is exercisable by providing written notice to the Issuer in accordance with this Section 2.1(a) hereof (the "***Put Notice***"), to elect to cause the Issuer to purchase all, but not less than all, of the Allocation Interests then held by the Holder (the "***Put Securities***") for the Put Price, as of the Put Right Exercise Date, on the Put Right Closing Date; *provided, however,* that Holder must exercise its Put Right by providing the Put Notice during the one (1) year period immediately following the Put Right Event Date. The Put Notice shall specify (i) the Holder's intention to exercise the Put Right granted hereunder, (ii) the Put Right Event giving rise to the Put Right, (iii) the Put Right Event Date, (iv) the names of four independent, nationally recognized investment banks, as well as specific contact persons thereof, acceptable to the Holder for purposes of the calculations required by Section 2.1(b) hereof (each

a ***"Holder Approved Investment Bank")***, (v) the location of the Put Closing, (vi) wire instructions for payment of the Put Price on the Put Right Closing Date, and (vii) whether or not the Holder will be electing to receive a Put Note in accordance with Section 2.1(d) hereof.

(b) **Calculation of Put Price.** The "Put Price" shall be equal to, as of the Put Right Exercise Date:

(i) if the Management Services Agreement is terminated other than as a result of the Holder's resignation as Manager of the Issuer therefrom, the *sum* of two separate, independently made calculations of the Profit Distribution Amount as of the Put Right Exercise Date; or

(ii) if the Holder resigns from serving as Manager of the Issuer under the Management Services Agreement and terminates the Management Services Agreement, the *average* of two separate, independently made calculations of the Profit Distribution Amount as of the Put Right Exercise Date;

provided, that, except as set forth herein, the Profit Distribution Amount shall be calculated in accordance with the applicable terms of the LLC Agreement; *provided, further,* that, in each case, the Put Price shall be calculated assuming that (x) all of the Managed Subsidiaries owned by the Issuer as of the Put Right Exercise Date are sold in an orderly fashion for fair market value as of the Put Right Exercise Date in the order in which the controlling interest in each Managed Subsidiary was acquired by the Issuer and (y) the last day of the Fiscal Quarter ending immediately prior to the Put Right Exercise Date is the relevant calculation date for purposes of calculating the Profit Distribution Amount as of the Put Right Exercise Date; *provided, further,* that each of the two separate, independently made calculations of the Profit Distribution Amount for purposes of calculating the Put Price shall be performed by a different Holder Approved Investment Bank that shall be engaged by the Issuer within fifteen (15) Business Days of the Put Right Exercise Date (the "***Engagement Date***"); *provided, further,* that the Put Price shall be, on a dollar-for-dollar basis (A) *reduced* by the aggregate amount of any Over-Paid Profit Distributions, if any, existing as of the relevant calculation date or (B) *increased* by the aggregate amount of any Under-Paid Profit Distributions, if any, existing as of the relevant calculation date, in each case, as determined in the manner set forth in the LLC Agreement or, if disputed, as determined finally and conclusively for all purposes hereunder by either one of the Holder Approved Investment Banks. The Issuer shall be responsible for paying any fees, costs and expenses associated with the engagement of the Holder Approved Investment Banks. The Issuer shall instruct each Holder Approved Investment Bank to deliver its calculation of the Profit Distribution Amount within twenty (20) Business Days of the Engagement Date simultaneously to each of the Issuer and the Holder.

(c) **Put Closing.** Subject to Section 2.1(d) hereof, the Put Closing shall occur at 10:00 a.m., New York City time, on the Put Right Closing Date at such location designated by the Holder in the Put Notice. On the Put Right Closing Date, (i) the Holder shall sell, and the Issuer shall purchase, all of the Put Securities then held by the Holder, free and clear of any liens or other encumbrances (other than restrictions on transfer imposed by federal and state securities laws), for the Put Price. Subject to Section 2.1(d) hereof, the Holder shall deliver certificates evidencing the Put Securities then held by the Holder against delivery by the Issuer of the Put Price. Subject to Section 2.1(d), the delivery of the Put Price by the Issuer shall be made in U.S.

dollars by wire transfer in immediately available funds to the account or accounts designated by the Holder in the Put Notice.

(d) **Put Note; Terms.** The Holder and the Issuer may mutually agree that the Holder will receive, in lieu of immediately available funds due pursuant to Section 2.1(c) hereof, a promissory note of the Issuer with an aggregate principal amount equal to the Put Price (the "***Put Note***"); *provided*, that if the Holder resigns as Manager of the Issuer and terminates the Management Services Agreement, then the Issuer shall have the right, in its sole discretion, to issue a Put Note to the Holder in lieu of delivering immediately available funds to the Holder as due pursuant to Section 2.1(c) hereof . The Put Note shall (i) mature on the first (1st) anniversary of the Put Right Closing Date (the "***Maturity Date***"), (ii) accrue interest from and including the Put Right Closing Date to but excluding the date of repayment at a rate of 8.00% per annum, (iii) contain customary events of default, including a cross-default provision, (iv) contain customary covenants, including those set forth herein, and (v) otherwise be in form and substance reasonably satisfactory to Issuer and Holder. The aggregate principal amount of the Put Note, together with all accrued and unpaid interest thereon (the "***Maturity Amount***"), shall be due and payable on the Maturity Date in U.S. dollars by wire transfer in immediately available funds to the account or accounts designated by the Holder in the Put Note; *provided*, that the Issuer shall have the option to prepay the Maturity Amount at any time prior to the Maturity Date without penalty. The Issuer's obligations under the Put Note shall be secured by a first priority lien (or, if not possible due to a pre-existing obligation of the Issuer, the next highest priority lien) on the equity interests then owned by the Issuer in each of the Managed Subsidiaries.

(e) **Sufficient Liquidity.** Subject to Section 2.1(d) hereof, if the Issuer does not have sufficient liquid assets to timely pay the entire amount of the Put Price or Maturity Amount, as the case may be, due on the Put Right Closing Date or the Maturity Date, as the case may be, the Issuer shall liquidate assets or Incur Indebtedness in order to pay such Put Price or Maturity Amount, as the case may be, in full on such Put Right Closing Date or the Maturity Date, as the case may be.

ARTICLE III
OBLIGATION ABSOLUTE AND UNCONDITIONAL

Notwithstanding anything to the contrary herein, the obligation of the Issuer, upon exercise of the Put Right by the Holder, to pay the Put Price on the Put Right Closing Date, or the Maturity Amount on the Maturity Date if the Holder elects to receive a Put Note in accordance with Section 2.1(d) hereof, shall be absolute and unconditional and shall not be subject to any right of set-off or defense whatsoever, whether in law or equity, including force majeure.

ARTICLE IV
COVENANTS

Section 4.1 Commercially Reasonable Efforts

Issuer shall use commercially reasonable efforts to (i) raise sufficient debt and equity financing proceeds to permit the Issuer to pay the full Put Price on the Put Right Closing Date or

Maturity Amount on the Maturity Date, as the case may be, and (ii) obtain approvals, waivers and consents or otherwise remove any restrictions imposed under contractual obligations or applicable law or regulations that have the effect of limiting or prohibiting the Issuer from (x) paying the Put Price or purchasing all of the Put Securities at the Put Price, in each case, on the Put Right Closing Date, or (y) purchasing all of the Put Securities at the Put Price by issuing the Put Note on the Put Right Closing Date or paying the Maturity Amount on the Maturity Date.

Section 4.2 Board Observer

At all times after the occurrence of the Put Right Event until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, the Holder shall have the right to designate a representative who shall (i) have the right to receive due notice of and to attend and participate in discussions at (but not vote on any matters on which the directors are entitled to vote) all meetings of the Board of Directors and (ii) have the right to receive copies of all documents and other information, including notices, minutes, consents, business plans, presentation materials, budgets and financial information, in each case, furnished to the Board of Directors.

Section 4.3 Access to Books and Records

At all times after the occurrence of the Put Right Event until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, the Holder shall have the right to review and copy any books and records of the Issuer during normal business hours, including any books and records necessary for the calculation of the Profit Distribution Amount in accordance with the terms hereof, upon five (5) Business Days notice.

Section 4.4 Limitation on Sale of Assets

At all times after the occurrence of the Put Right Exercise Date until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, Issuer shall not, and Issuer shall cause its Managed Subsidiaries not to, other than in the Ordinary Course of Business, sell or otherwise dispose of, in any manner whatsoever, any property or assets of the Issuer or any Managed Subsidiary or portion thereof except that the Issuer and its Managed Subsidiaries may sell or otherwise dispose of any property or assets of the Issuer or any its Managed Subsidiary or portion thereof, as the case may be, if the Issuer or its Managed Subsidiaries grants a first priority lien (or, if not possible due to a pre-existing obligation of the Issuer, the next highest priority lien) on the proceeds thereof, including any receivables relating thereto, to the Holder. Such lien shall secure the Issuer's obligation hereunder to pay the Put Price on the Put Right Closing Date or the Maturity Amount on the Maturity Date, as the case may be, and shall be pursuant to such security instruments as shall be reasonably acceptable to the Issuer and the Holder.

Section 4.5 Limitation on Indebtedness

At all times after the occurrence of the Put Right Exercise Date until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, Issuer shall not, and Issuer shall cause its Managed Subsidiaries not to, other than in the Ordinary Course of Business, Incur any Indebtedness, of any character whatsoever, except that the Issuer or its

Managed Subsidiaries may Incur Indebtedness if the Issuer or its Managed Subsidiaries, as the case may be, grant a first priority lien (or, if not possible due to a pre-existing obligation of the Issuer, the next highest priority lien) on the proceeds thereof to the Holder. Such lien shall secure the Issuer's obligation hereunder to pay the Put Price on the Put Right Closing Date or the Maturity Amount on the Maturity Date, as the case may be, and shall be pursuant to such security instrument as shall be reasonably acceptable to the Issuer and the Holder.

Section 4.6 Limitation on Merger or Consolidation

At all times after the occurrence of the Put Right Exercise Date until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, Issuer shall not merge into or otherwise consolidate into any other Person, or permit any other Person to merge into or otherwise consolidate with it (in each case, in any manner whatsoever, including by means of reorganization or recapitalization), or sell, lease, transfer or otherwise dispose of (in any manner whatsoever, including in a single transaction or a series of transactions) all or a substantial part of its business, property or assets (in each case, whether now owned or hereafter acquired) or all or a substantial portion of the stock or beneficial ownership of any of its Managed Subsidiaries or portions thereof (in each case, whether now owned or hereafter acquired) or liquidate, windup or dissolve or acquire by purchase or otherwise all or substantially all of the business, property or assets of, or stock or other evidence of beneficial ownership of, any other Person prior to paying the Put Price on the Put Right Closing Date or the Maturity Amount on the Maturity Date, as the case may be.

Section 4.7 Restriction on Dividends and Other Distributions

At all times after the occurrence of the Put Right Exercise Date until the satisfaction in full of the Issuer's obligations hereunder, including under the Put Note, if any, Issuer shall not declare or pay any dividends or other distributions to its equity owners, in any manner whatsoever, prior to paying, in full, the Put Price on the Put Right Closing Date or the Maturity Amount on the Maturity Date, as the case may be.

ARTICLE V
INDEMNITY

The Issuer shall indemnify, reimburse, defend and hold harmless the Holder and its successors and permitted assigns, together with their respective employees, officers, members, managers, directors and representatives (collectively the "***Indemnified Parties***"), from and against all losses (including lost profits), costs, damages, injuries, taxes, penalties, interests, expenses, obligations, claims and liabilities (joint or severable) of any kind or nature whatsoever that are incurred by such Indemnified Parties in connection with, relating to or arising out of the (i) the breach by the Issuer of any term or condition of this Agreement or the Put Note, or any other agreement or instruments delivered in connection herewith, (ii) the exercise of the Put Right or (iii) the enforcement of the Put Right.

The rights of any Indemnified Party referred to above shall be in addition to any rights that such Indemnified Party shall otherwise have at law or in equity.

ARTICLE VI
MISCELLANEOUS

Section 6.1 Binding Effect

This Agreement shall be binding upon, shall inure to the benefit of and be enforceable by the Parties hereto and their respective successors and permitted assigns.

Section 6.2 Effect of Termination

This Agreement shall be effective as of the date first above written and shall continue in full force and effect thereafter until either (i) this Agreement is terminated by mutual agreement of the Parties or (ii) Holder has received the full Put Price in accordance with the terms of this Agreement. Notwithstanding the foregoing, the obligations of the Issuer set forth in Article V and Section 6.15 hereof shall survive termination of this Agreement, subject to applicable law.

Section 6.3 Notices

Any notice or other communication required or permitted under this Agreement shall be deemed to have been duly given (i) five (5) Business Days following deposit in the mails if sent by registered or certified mail, postage prepaid, (ii) when sent, if sent by facsimile transmission, if receipt thereof is confirmed by telephone, (iii) when delivered, if delivered personally to the intended recipient and (iv) two (2) Business Days following deposit with a nationally recognized overnight courier service, in each case addressed as follows:

If to the Issuer, to:

Attention: Chief Executive Officer
Compass Group Diversified Holdings LLC
Sixty One Wilton Road, Second Floor
Westport, CT 06880
Fax:203-221-8253

with a copy (which shall not constitute notice) to its counsel:

Attention: Cynthia M. Krus
Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004
Fax:202-637-3593

If to the Holder, to:

Attention: I. Joseph Massoud
Compass Group Management LLC
Sixty One Wilton Road, Second Floor
Westport, CT 06880
Fax:203-221-8253

with a copy (which shall not constitute notice) to its counsel:

Attention: Stephen C. Mahon
Squire Sanders & Dempsey LLP
312 Walnut Street, Suite 3500
Cincinnati, OH 45202
Fax:513-361-1201

and

Attention: Brian B. Snarr
Morrison Cohen, LLP
909 Third Avenue
New York, NY 10022
Fax:212-735-8708

or to such other address or facsimile number as any such Party may, from time to time, designate in writing to all other Parties hereto, and any such communication shall be deemed to be given, made or served as of the date so delivered or, in the case of any communication delivered by mail, as of the date so received.

Section 6.4 Headings

The headings in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect.

Section 6.5 Applicable Law

This Agreement, the legal relations between and among the Parties and the adjudication and the enforcement thereof shall be governed by and interpreted and construed in accordance with the laws of the State of New York, without regard to the conflicts of law provisions thereof to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

Section 6.6 Submission to Jurisdiction; Waiver of Jury Trial

Each of the Parties hereby irrevocably acknowledges and consents that any legal action or proceeding brought with respect to any of the obligations arising under or relating to this Agreement may be brought in the courts of the State of New York, County of New York or in the United Stales District Court for the Southern District of New York and each of the Parties hereby irrevocably submits to and accepts with regard to any such action or proceeding, for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. Each Party hereby further irrevocably waives any claim that any such courts lack jurisdiction over such Party, and agrees not to plead or claim, in any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby brought in any of the aforesaid courts, that any such court lacks jurisdiction over such Party. Each Party

irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party, at its address for notices set forth in Section 6.3 hereof, such service to become effective ten (10) days after such mailing. Each Party hereby irrevocably waives any objection to such service of process and further irrevocably waives and agrees not to plead or claim in any action or proceeding commenced hereunder or under any other documents contemplated hereby that service of process was in any way invalid or ineffective. The foregoing shall not limit the rights of any Party to serve process in any other manner permitted by applicable law. The foregoing consents to jurisdiction shall not constitute general consents to service of process in the State of New York for any purpose except as provided above and shall not be deemed to confer rights on any Person other than the respective Parties.

Each of the Parties hereby waives any right it may have under the laws of any jurisdiction to commence by publication any legal action or proceeding with respect this Agreement. To the fullest extent permitted by applicable law, each of the Parties hereby irrevocably waives the objection which it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Agreement in any of the courts referred to in this Section 6.6 and hereby further irrevocably waives and agrees not to plead or claim that any such court is not a convenient forum for any such suit, action or proceeding.

The Parties agree that any judgment obtained by any Party or its successors or assigns in any action, suit or proceeding referred to above may, in the discretion of such Party (or its successors or assigns), be enforced in any jurisdiction, to the extent permitted by applicable law.

The Parties agree that the remedy at law for any breach of this Agreement may be inadequate and that should any dispute arise concerning any matter hereunder, this Agreement shall be enforceable in a court of equity by an injunction or a decree of specific performance. Such remedies shall, however, be cumulative and nonexclusive, and shall be in addition to any other remedies which the Parties may have.

Each Party hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation as between the Parties directly or indirectly arising out of, under or in connection with this Agreement or the transactions contemplated hereby or disputes relating hereto. Each Party (i) certifies that no representative, agent or attorney of any other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other Parties have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 6.6.

Section 6.7 Amendments; Waivers

No term or condition of this Agreement may be amended, modified or waived without the prior written consent of the Party against whom such amendment, modification or waiver will be enforced. Any waiver granted hereunder shall be deemed a specific waiver relating only to the specific event giving rise to such waiver and not as a general waiver of any term or condition hereof.

Section 6.8 Remedies to Prevailing Party

If any action at law or equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 6.9 Severability

Each provision of this Agreement is intended to be severable from the others so that if, any provision or term hereof is illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect or impair the validity of the remaining provisions and terms hereof; *provided, however*, that the provisions governing payment of the Put Price described in Article II hereof are not severable.

Section 6.10 Benefits Only to Parties

Nothing expressed by or mentioned in this Agreement is intended or shall be construed to give any Person other than the Parties and their respective successors or permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained, this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Parties and their respective successors and permitted assigns, and for the benefit of no other Person.

Section 6.11 Further Assurances

Each Party hereto shall take any and all such actions, and execute and deliver such further agreements, consents, instruments and any other documents as may be necessary from time to time to give effect to the provisions and purposes of this Agreement and, upon exercise of the Put Right by the Holder, to effect and evidence the sale and transfer of the Put Securities by the Holder, on the one hand, and the purchase and payment of the Put Price by the Issuer, on the other.

Section 6.12 No Strict Construction

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by all Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

Section 6.13 Entire Agreement

This Agreement constitutes the sole and entire agreement of the Parties with regards to the subject matter of this Agreement. Any written or oral agreements, statements, promises, negotiations or representations not expressly set forth in this Agreement are of no force and effect.

Section 6.14 Taxes

The Parties acknowledge and agree that payment of the Put Price by the Issuer upon the purchase of all, and not less than all, of the Allocation Interests of the Holder pursuant to the terms of this Agreement shall be considered payment made in the liquidation of the interest of a retiring partner (within the meaning of section 736 of the Code), and to the fullest extent possible, shall be treated as having been made in exchange for the Holder’s interest in partnership property (as that term is used in section 736(b) of the Code), thereby constituting to the fullest extent possible a distribution by the Issuer and not a distributive share or guaranteed payment (as those terms are used in section 736(a) of the Code).

Section 6.15 Confidentiality

The Holder shall comply with the requirements of Section 13.17 of the Management Services Agreement with respect to any confidential information in the possession of the Holder or which comes into the possession of the Holder through the exercise of any of Holder’s rights hereunder.

Section 6.16 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

* * *

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above,

COMPASS GROUP MANAGEMENT LLC

By:_________________________
Name:
Title:

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By:_________________________

Name:
Title:

Exhibit 10.8

FORM OF CREDIT AGREEMENT

CREDIT AGREEMENT
dated as of ___, 2006

among

________________________________,
AS BORROWER,

and

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,
as Lender

TABLE OF CONTENTS

		Page
SECTION 1. DEFINITIONS; INTERPRETATION		1
1.1	Definitions	1
1.2	Interpretation	17
SECTION 2. CREDIT FACILITIES		17
2.1	Commitments	17
2.2	Loan Procedures	18
2.3	[Reserved]	19
2.4	Certain Conditions	19
2.5	Loan Accounting	19
2.6	Interest	19
2.7	Fees	20
2.8	Commitment Reduction	21
2.9	Prepayment	21
2.10	Repayment	23
2.11	Payment	23
SECTION 3. YIELD PROTECTION		26
3.1	Taxes	26
3.2	Increased Cost	27
3.3	Inadequate or Unfair Basis	27
3.4	Change in Law	28
3.5	Funding Losses	28
3.6	Manner of Funding; Alternate Funding Offices	28
3.7	Mitigation of Circumstances; Replacement of Lender	29
3.8	Conclusiveness of Statements; Survival	29
SECTION 4. CONDITIONS PRECEDENT		29
4.1	Initial Credit Extension	29
4.2	All Credit Extensions	32
SECTION 5. REPRESENTATIONS AND WARRANTIES		32
5.1	Organization	32
5.2	Authorization; No Conflict	32
5.3	Validity; Binding Nature	33
5.4	Financial Condition	33
5.5	No Material Adverse Change	33
5.6	Litigation	33
5.7	Ownership of Properties; Liens	34
5.8	Capitalization	34
5.9	Pension Plans	34
5.10	Investment Company Act	35
5.11	Public Utility Holding Company Act	35

5.12	Margin Stock	35
5.13	Taxes	35
5.14	Solvency	35
5.15	Environmental Matters	35
5.16	Insurance	36
5.17	Information	36
5.18	Intellectual Property	36
5.19	Restrictive Provisions	37
5.20	Labor Matters	37
5.21	No Default	37
SECTION 6. AFFIRMATIVE COVENANTS		37
6.1	Information	37
6.2	Books; Records; Inspections	39
6.3	Maintenance of Property; Insurance	40
6.4	Compliance with Laws; Payment of Taxes and Liabilities	41
6.5	Maintenance of Existence	41
6.6	Employee Benefit Plans	41
6.7	Environmental Matters	41
6.8	Further Assurances	42
SECTION 7. NEGATIVE COVENANTS		42
7.1	Debt	42
7.2	Liens	43
7.3	Operating Leases	44
7.4	Restricted Payments	44
7.5	Mergers; Consolidations; Asset Sales	45
7.6	Modification of Organizational Documents	45
7.7	Use of Proceeds	45
7.8	Transactions with Affiliates	45
7.9	Inconsistent Agreements	45
7.10	Business Activities	46
7.11	Investments	46
7.12	Restriction of Amendments to Certain Documents	47
7.13	Fiscal Year	47
7.14	Financial Covenants	47
7.15	Bank Accounts	48
7.16	Subsidiaries	48
SECTION 8. EVENTS OF DEFAULT; REMEDIES		48
8.1	Events of Default	48
8.2	Remedies	51
SECTION 9. MISCELLANEOUS		51
9.1	Waiver; Amendments	51
9.2	Notices	51
9.3	Computations	52

9.4	Costs; Expenses	52
9.5	Indemnification by Borrower	52
9.6	Marshaling; Payments Set Aside	53
9.7	Nonliability of Lender	53
9.8	Assignments; Participations	53
9.9	Confidentiality	55
9.10	Captions	56
9.11	Nature of Remedies	56
9.12	Counterparts	56
9.13	Severability	56
9.14	Entire Agreement	56
9.15	Successors; Assigns	56
9.16	Governing Law	57
9.17	Forum Selection; Consent to Jurisdiction	57
9.18	Waiver of Jury Trial	57

Annexes

Annex I	Commitments and Pro Rata Shares
Annex II	Addresses

Exhibits

Exhibit A	Form of Assignment Agreement
Exhibit B	Form of Compliance Certificate
[Exhibit C	Form of Availability Certificate]
Exhibit D	Form of Note
Exhibit E	Form of Borrowing Notice
Exhibit F	Conversion/Continuation Notice

Schedules

Schedule 4.1.3	Debt to be Repaid
Schedule 5.6	Litigation
Schedule 5.8	Capitalization
Schedule 5.16	Insurance
Schedule 5.20	Labor Matters
Schedule 7.1	Existing Debt
Schedule 7.2	Existing Liens
Schedule 7.11	Existing Investments
Schedule 7.15	Bank Accounts

CREDIT AGREEMENT

This Credit Agreement dated as of **[___**, 2006**]** (as amended, restated or otherwise modified from time to time, this "Agreement") by and between **[___]**, a **[___]** corporation ("Borrower"), and Compass Group Diversified Holdings LLC, (together with its successors and assigns, "Lender"), as lender.

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions; Interpretation.

1.1 Definitions.

When used herein the following terms shall have the following meanings:

Acceleration Event means the occurrence of any of the following: (i) an Event of Default under Section 8.1.3; (ii) an Event of Default under Section 8.1.1 and the termination of the Commitments; or (iii) any other Event of Default under Section 8.1 and the election by the Lender to declare the Obligations to be due and payable or to terminate the Revolving Loan Commitment.

Account has the meaning set forth in the Guarantee and Collateral Agreement.

Account Debtor means any Person who is obligated to Borrower or any Subsidiary with respect to any Account.

Acquisition means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or a substantial portion of the assets of a Person, or of all or a substantial portion of any business or division of a Person, (b) the acquisition of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person (other than a Person that is already a Subsidiary).

Adjusted Working Capital means the remainder of (a) the consolidated current assets of Borrower and the Subsidiaries minus the amount of cash and cash equivalents included in such consolidated current assets, minus (b) the consolidated current liabilities of Borrower and the Subsidiaries minus the amount of consolidated short-term Debt (including current maturities of long-term Debt) of Borrower and the Subsidiaries included in such consolidated current liabilities.

Affiliate of any Person means (a) any other Person which, directly or indirectly, controls or is controlled by or is under common control with such Person, (b) any officer or director of such Person and (c) with respect to Lender, any entity administered or managed by Lender or an Affiliate or investment advisor thereof which is engaged in

making, purchasing, holding or otherwise investing in commercial loans. A Person shall be deemed to be "controlled by" any other Person if such Person possesses, directly or indirectly, power to vote 10% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managers or power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Unless expressly stated otherwise herein, Lender shall not be deemed an Affiliate of Borrower or of any Subsidiary.

Agreement has the meaning set forth in the Preamble.

Applicable Margin[1] means the applicable rate per annum as set forth in the following table:

		Revolving Loans		Term A Loans		Term B Loans		Commitment
		Base Rate	LIBOR	Base Rate	LIBOR	Base Rate	LIBOR	Fee
1	[ratio]	—%	—%	—%	—%	—%	—%	—%
2	[ratio]	—%	—%	—%	—%	—%	—%	—%
3	[ratio]	—%	—%	—%	—%	—%	—%	—%

Initially, each Applicable Margin shall be that percentage set forth above for Level [_] in the table above. On and after July 1, 2006, each Applicable Margin shall be equal to the applicable rate per annum set forth in the table above opposite the applicable Total Debt to EBITDA Ratio.

Assignment Agreement means an agreement substantially in the form of Exhibit A.

[Availability Certificate means a certificate substantially in the form of Exhibit C.]

Balance Sheet Date has the meaning set forth in Section 5.4.

Base Rate means, for any day, the greater of (a) the rate of interest which is identified as the "Prime Rate" and normally published in the Money Rates Section of The Wall Street Journal (or, if such rate ceases to be so published, as quoted from such other generally available and recognizable source as Lender may select) and (b) the sum of the Federal Funds Rate plus 0.5%. Any change in the Base Rate due to a change in such Prime Rate or the Federal Funds Rate shall be effective on the effective date of such change in such Prime Rate or the Federal Funds Rate.

Base Rate Loan means any Loan which bears interest at or by reference to the Base Rate.

Borrower has the meaning set forth in the Preamble.

---

1 Note: Pricing will be based on Debt to EBITDA ratios for each of CBS Personnel, Crosman and Silvue. Advanced Circuits' pricing will not be subject to a grid (i.e., the rates will not vary based on any financial ratio).

[Borrowing Availability means, at the time of determination, an amount equal to the lesser of (a) the Revolving Loan Commitment and (b) the sum of (i) 85% of the unpaid amount of all Eligible Accounts plus (ii) 50% of the value of all Eligible Inventory valued at the lower of cost or market, in each case less such reserves and allowances as Lender deems necessary in its reasonable discretion; provided, however, that any increase in such reserves and allowances shall not be effective until 10 days after Lender notifies Borrower of such increase.][2]

Borrowing Notice means a notice in substantially the form of Exhibit E.

Business Day means any day other than any Saturday and Sunday on which commercial banks are open for commercial banking business in New York, New York, and, in the case of a Business Day which relates to a LIBOR Loan, any day on which dealings are carried out in the London interbank Eurodollar market.

Capital Expenditures means all expenditures which, in accordance with GAAP, would be required to be capitalized and shown on the consolidated balance sheet of Borrower, but excluding expenditures made in connection with the replacement, substitution or restoration of assets to the extent financed (a) from insurance proceeds (or other similar recoveries) paid on account of the loss of or damage to the assets being replaced or restored, (b) with cash awards of compensation arising from the taking by eminent domain or condemnation of the assets being replaced or (c) with cash proceeds of Dispositions that are reinvested in accordance with Section 2.9.2(a)(i).

Capital Lease means, with respect to any Person, any lease of (or other agreement conveying the right to use) any real or personal property by such Person that, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of such Person.

Cash Equivalent Investment means, at any time, (a) any evidence of Debt, maturing not more than one year after such time, issued or guaranteed by the United States Government or any agency thereof, (b) commercial paper, or corporate demand notes, in each case (unless issued by a Lender or its holding company) rated at least A-l by Standard & Poor’s Ratings Group or P-l by Moody’s Investors Service, Inc., (c) any certificate of deposit (or time deposit represented by a certificate of deposit) or banker’s acceptance maturing not more than one year after such time, or any overnight Federal Funds transaction that is issued or sold by Lender (or by a commercial banking institution that is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than $500,000,000), (d) any repurchase agreement entered into with Lender (or commercial banking institution of the nature referred to in clause (c) above) which (i) is secured by a fully perfected security interest in any obligation of the type described in any of clauses (a) through (c) above and (ii) has a market value at the time such repurchase agreement is entered into of not less than 100% of the repurchase obligation of Lender (or other commercial banking institution) thereunder, (e) money market accounts or mutual funds

2 Note: “Borrowing Availability” and related terms and provisions (e.g., Availability Certificate, Eligible Account and Eligible Inventory) will be included only in the Credit Agreements for CBS Personnel and Crosman.

which invest exclusively in assets satisfying the foregoing requirements and (f) other short term liquid investments approved in writing by Lender.

Closing Date means the date on which all conditions precedent set forth in Section 4.1 have been satisfied or waived in writing by Lender.

Collateral has the meaning set forth in the Guarantee and Collateral Agreement.

Collateral Access Agreement means an agreement in form and substance reasonably satisfactory to Lender pursuant to which a mortgagee or lessor of real property on which Collateral is stored or otherwise located, or a warehouseman, processor or other bailee of Inventory or other property owned by Borrower or any Subsidiary, acknowledges the Liens of Lender and waives (or, if approved by Lender, subordinates) any Liens held by such Person on such property, and, in the case of any such agreement with a mortgagee or lessor, permits Lender reasonable access to and use of such real property during the continuance of an Event of Default to assemble, complete and sell any Collateral stored or otherwise located thereon.

Collateral Documents means, collectively, the Guarantee and Collateral Agreement, each Mortgage, each Collateral Access Agreement, and each other agreement or instrument pursuant to or in connection with which Borrower, any Subsidiary or any other Person grants a security interest in any Collateral to Lender, each as amended, restated or otherwise modified from time to time.

Commitment means the Revolving Loan Commitment, the Term A Loan Commitment and the Term B Loan Commitment.

Commitment Fee means the fee payable by Borrower to Lender pursuant to Section 2.7.1.

Compliance Certificate means a certificate substantially in the form of Exhibit B.

Computation Period means each period of four consecutive Fiscal Quarters ending on the last day of a Fiscal Quarter.

Consolidated Net Income means, with respect to Borrower and the Subsidiaries for any period, the consolidated net income (or loss) of Borrower and the Subsidiaries for such period, excluding any gains or losses from Dispositions, any extraordinary or non-recurring gains or extraordinary or non-recurring losses and any gains or losses from discontinued operations.

Contingent Obligation means any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to or otherwise to invest in a debtor, or otherwise to assure a creditor against loss) any indebtedness, obligation or other liability of any other Person (other than by

endorsements of instruments in the course of collection), or guarantees the payment of dividends or other distributions upon the shares of any other Person. The amount of any Person's obligation in respect of any Contingent Obligation shall (subject to any limitation set forth therein) be deemed to be the principal amount of the debt, obligation or other liability supported thereby.

Controlled Group means all members of a controlled group of corporations and all members of a controlled group of trades or businesses (whether or not incorporated) under common control which, together with Borrower, are treated as a single employer under Section 414 of the IRC or Section 4001 of ERISA.

Conversion/Continuation Notice means a notice in substantially the form of Exhibit F.

Debt of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money, whether or not evidenced by bonds, debentures, notes or similar instruments, (b) all obligations of such Person as lessee under Capital Leases which have been or should be recorded as liabilities on a balance sheet of such Person in accordance with GAAP, (c) all obligations of such Person to pay the deferred purchase price of property or services (excluding trade accounts payable in the ordinary course of business), (d) all indebtedness secured by a Lien on the property of such Person, whether or not such indebtedness shall have been assumed by such Person (with the amount thereof being measured as the fair market value of such property), (e) all obligations, contingent or otherwise, with respect to the face amount of all letters of credit (whether or not drawn) and banker's acceptances issued for the account of such Person, (f) all Hedging Obligations of such Person, (g) all Contingent Obligations of such Person, (h) all indebtedness of any partnership of which such Person is a general partner and (i) all obligations of such Person under any synthetic lease transaction, where such obligations are considered borrowed money indebtedness for tax purposes but the transaction is classified as an operating lease in accordance with GAAP.

Debt to be Repaid means the Debt listed on Schedule 4.1.3.

Default means any event that, if it continues uncured, will, with the lapse of time or the giving of notice or both, constitute an Event of Default.

Disposition means, as to any asset or right of Borrower or any Subsidiary, (a) any sale, lease, assignment or other transfer (other than to Borrower or any Subsidiary), (b) any loss, destruction or damage thereof or (c) any actual or threatened condemnation, confiscation, requisition, seizure or taking thereof, in each case excluding (i) assets subject to a Disposition which are replaced within 180 days with assets performing the same or a similar function, (ii) Dispositions in any Fiscal Year, the Net Cash Proceeds of which do not in the aggregate exceed $150,000 and (iii) the sale or other transfer of Inventory in the ordinary course of business.

Dollar and $ mean lawful money of the United States of America.

Domestic Subsidiary means any Subsidiary that is incorporated or organized under the laws of a State within the United States of America or the District of Columbia. Unless the context otherwise requires, each reference to Domestic Subsidiary or Domestic Subsidiaries herein shall be a reference to Subsidiary or Subsidiaries of Borrower.

EBITDA means, for any period, Consolidated Net Income for such period plus, to the extent deducted in determining such Consolidated Net Income, (i) Interest Expense, income tax expense, depreciation and amortization for such period, and (ii) management fees paid to or accrued for the benefit of Manager in such period to the extent permitted pursuant to Section 7.4; provided, that, notwithstanding anything to the contrary contained herein, for each of the calendar quarters listed below, EBITDA shall be deemed to be the amount set forth below opposite such quarter:

Calendar Quarter	EBITDA
September 30, 2005	$___
December 31, 2005	$___
March 31, 2006	$___

Provided, further, that notwithstanding anything to the contrary contained herein, for the calendar quarter ending June 30, 2006, EBITDA shall be determined to be EBITDA, as calculated above, for the month of June, 2006 plus the amounts set forth below for April, 2006 plus the amount set forth below for May, 2006:

April, 2006	$___
May, 2006	$___

ECF Percentage means, for any fiscal year, 90%.

[Eligible Account means an Account owing to Borrower or any Domestic Subsidiary which meets each of the following requirements:

(a) it arises from the sale of goods (which goods comply in all material respects with such Account Debtor's specifications (if any) and have been delivered to such Account Debtor and not returned by such Account Debtor) or the rendering of services by Borrower or the applicable Subsidiary;

(b) it (i) is subject to a perfected Lien in favor of Lender and (ii) is not subject to any other assignment, claim or Lien;

(c) it is a valid, legally enforceable and unconditional obligation of the Account Debtor with respect thereto and is not subject to any counterclaim, credit, allowance, discount, rebate or adjustment by the Account Debtor or to any claim by such Account Debtor denying liability thereunder in whole or in part; provided, that in the

event any counterclaim, credit, allowance, rebate or adjustment is asserted, or discount is granted, the Account shall only be ineligible pursuant to this clause (c) to the extent thereof;

(d) there is no bankruptcy, insolvency or liquidation proceeding pending by or against the Account Debtor with respect thereto;

(e) the Account Debtor with respect thereto is a resident or citizen of, and is located within, the United States or Canada, unless the sale of goods or services giving rise to such Account is on letter of credit, banker's acceptance or other credit support terms reasonably satisfactory to Lender;

(f) it is not an Account arising from a "sale on approval," "sale or return," "consignment" or "bill and hold" or subject to any other repurchase or return agreement;

(g) it is not an Account with respect to which possession and/or control of the goods sold giving rise thereto is held, maintained or retained by Borrower or any Subsidiary (or by any agent or custodian of Borrower or any Subsidiary) for the account of or subject to further and/or future direction from the Account Debtor with respect thereto;

(h) it arises in the ordinary course of business of Borrower or the applicable Subsidiary;

(i) if the Account Debtor is the United States or any department, agency or instrumentality thereof, it does not, when aggregated with other such Accounts, exceed $50,000 or, if the aggregate of such Accounts exceeds $50,000, to the extent of such excess, Borrower or the applicable Subsidiary has assigned its right to payment of such Account to Lender pursuant to the Assignment of Claims Act of 1940, as amended;

(j) if Borrower or applicable Subsidiary maintains a credit limit for an Account Debtor, the aggregate dollar amount of Accounts due from such Account Debtor, including such Account, does not exceed such credit limit; provided, that, in the event that such Account exceeds such credit limit, the Account shall only be ineligible pursuant to this clause (j) to the extent of such excess;

(k) if the Account is evidenced by chattel paper or an instrument, the original copy of such chattel paper or instrument shall have been endorsed and/or assigned and delivered to Lender in a manner reasonably satisfactory to Lender;

(l) such Account is not more than (i) 60 days past the due date thereof or (ii) 90 days past the original invoice date thereof, in each case according to the original terms of sale;

(m) the Account Debtor with respect thereto is not Borrower or an Affiliate of Borrower;

(n) it is not owed by an Account Debtor with respect to which 25% or more of the aggregate amount of outstanding Accounts owed at such time by such Account Debtor and its Affiliates is classified as ineligible under clause (l) above;

(o) if the aggregate amount of the Accounts owed by the Account Debtor and its Affiliates thereon exceeds **[**25%**]** of the aggregate amount of all Accounts at such time, then all Accounts owed by such Account Debtor in excess of such amount shall be deemed ineligible; and

(p) it is an Account denominated in Dollars.

An Account which is at any time an Eligible Account, but which subsequently fails to meet any of the foregoing requirements, shall forthwith cease to be an Eligible Account. Further, with respect to any Account, if Lender at any time hereafter determines in its reasonable discretion that the prospect of payment or performance by the Account Debtor with respect thereto is materially impaired for any reason whatsoever, such Account shall cease to be an Eligible Account after notice of such determination is given to Borrower.]

Eligible Institution means (a) any Person that (i) is organized for the purpose of making equity or debt investments in one or more other Persons and (ii) is an Affiliate of Lender or Manager, (b) any Person that invests in, or extends credit pursuant to, commercial loans in the ordinary course of business and is approved by Lender, and (c) any finance company, insurance company or other financial institution which temporarily warehouses Loans for Lender or any Person described in clauses (a) or (b) above.

[Eligible Inventory means Inventory of Borrower or any Domestic Subsidiary which meets each of the following requirements:

(a) it (i) is subject to a perfected Lien in favor of Lender and (ii) is not subject to any other assignment, claim or Lien;

(b) it is salable;

(c) it is in the possession and control of Borrower or any Domestic Subsidiary and it is stored and held in facilities in the United States owned by Borrower or any Domestic Subsidiary or, if such facilities are not so owned, Lender is in possession of a Collateral Access Agreement with respect thereto;

(d) it is not Inventory produced in violation of the Fair Labor Standards Act and subject to the “hot goods” provisions contained in Title 29 U.S.C. §215;

(e) it is not subject to any agreement which would restrict Lender’s ability to sell or otherwise dispose of such Inventory;

(f) it is located in the United States or in any territory or possession of the United States that has adopted Article 9 of the Uniform Commercial Code;

(g) it is not "in transit" to Borrower or any Domestic Subsidiary or held or delivered by Borrower or any Domestic Subsidiary on consignment;

(h) it is not "work-in progress" Inventory; and

(i) Lender shall not have determined in its discretion that it is unacceptable due to age, type, category, quality, quantity and/or any other reason whatsoever.

Inventory which is at any time Eligible Inventory but which subsequently fails to meet any of the foregoing requirements shall forthwith cease to be Eligible Inventory.]

Environmental Claims means all claims, however asserted, by any governmental, regulatory or judicial authority or other Person alleging potential liability or responsibility for violation of any Environmental Law, or for release or injury to the environment or any Person or property.

Environmental Laws means all present or future federal, state or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any governmental authority, in each case relating to any matter arising out of or relating to health and safety, or pollution or protection of the environment or workplace, including any of the foregoing relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, distribution, discharge, release, control or cleanup of any Hazardous Substance.

ERISA means the Employee Retirement Income Security Act of 1974, as amended.

Event of Default means any of the events described in Section 8.1.

Excess Cash means, with respect to Holdings, Borrower and their Subsidiaries, the excess of (i) the combined cash and Cash Equivalent Instruments of Holdings, Borrower and the Subsidiaries over (ii) $[___].

Excess Cash Flow means, with respect to each Fiscal Year, for any period, the remainder of EBITDA for such Fiscal Year, minus the sum, without duplication, of (i) scheduled repayments of principal of Term Loans and other Debt of Borrower and the Subsidiaries (in respect of Debt permitted in accordance with Section 7.1) made during such Fiscal Year, plus (ii) voluntary prepayments of the Term Loans pursuant to Section 2.9.1 during such Fiscal Year, plus (iii) cash payments (not financed with the proceeds of Debt other than Revolving Loans) made in such Fiscal Year with respect to Capital Expenditures permitted under Section 7.14.4 plus (iv) all federal, state, local and foreign income taxes paid in cash by Borrower and the Subsidiaries, or paid in cash by Holdings with the proceeds of the tax distributions by Borrower permitted under Section 7.4, during such Fiscal Year or payable with respect to such Fiscal Year by any of them within 75 days after the last day of such Fiscal Year, plus (v) all Interest Expense in respect of Debt permitted in accordance with Section 7.1 paid in cash by Borrower and the Subsidiaries during such Fiscal Year or payable with respect to such Fiscal Year by any of them

within 30 days after the last day of such Fiscal Year, plus (vi) to the extent permitted under Section 7.4, management fees paid in cash to Manager during such Fiscal Year or payable to Manager with respect to such Fiscal Year within 30 days of the last day of such Fiscal Year.

Federal Funds Rate means, for any day, a rate per annum (rounded upward to the nearest 1/100th of 1%) equal to the rate published by the Federal Reserve Bank of New York on the preceding Business Day or, if no such rate is so published, the average rate per annum, as determined by Lender, quoted for overnight Federal Funds transactions last arranged prior to such day.

Fiscal Quarter means a fiscal quarter of a Fiscal Year.

Fiscal Year means the fiscal year of Borrower and the Subsidiaries, which period shall be the [12-month period ending on December 31][___] of each year.

Fixed Charge Coverage Ratio means, for any Computation Period, the ratio of (a) the total for such period of EBITDA minus the sum for such period of (i) all income taxes and tax distributions described in Section 7.4 paid by Borrower and the Subsidiaries within 75 days of the end of such period, (ii) all Capital Expenditures and (iii) management fees paid in cash to Manager during such period or payable to Manager within 30 days of the end of such period (other than management fees paid concurrent with the Closing Date or within 15 days after the Closing Date) to (b) the sum for such period of (i) Interest Expense paid in cash by Borrower and the Subsidiaries, plus (ii) required payments of principal of Debt (including the Term Loans but excluding the Revolving Loans).

Foreign Subsidiary means any Subsidiary that is not incorporated or organized under the laws of a State within the United States of America or the District of Columbia.

FRB means the Board of Governors of the Federal Reserve System or any successor thereto.

Funded Debt means, as to any Person, all Debt of such Person that matures more than one year from the date of its creation (or is renewable or extendible, at the option of such Person, to a date more than one year from such date).

GAAP means generally accepted accounting principles in effect in the United States of America set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

Guarantee and Collateral Agreement means the Guarantee and Collateral Agreement, dated as of the Closing Date, by each Loan Party (other than Borrower) in favor of Lender, as amended, restated or otherwise modified from time to time.

Hazardous Substances means hazardous waste, hazardous substance, pollutant, contaminant, toxic substance, oil, hazardous material, chemical or other substance regulated by any Environmental Law.

Hedging Obligation means, with respect to any Person, any liability of such Person under any interest rate, currency or commodity swap agreement, cap agreement or collar agreement, and any other agreement or arrangement designed to protect a Person against fluctuations in interest rates, currency exchange rates or commodity prices. The amount of any Person's obligation in respect of any Hedging Obligation shall be deemed to be the incremental obligation that would be reflected in the financial statements of such Person in accordance with GAAP.

Holdings means **[___]**, a Delaware corporation.

Interest Expense means for any period the consolidated interest expense of Borrower and the Subsidiaries for such period (including all imputed interest on Capital Leases).

Interest Period means, as to any LIBOR Loan, the period commencing on the date such Loan is borrowed or continued as, or converted into, a LIBOR Loan and ending on the date one, two or three months thereafter, as selected by Borrower pursuant to Section 2.2.2 or 2.2.3, as the case may be; provided, that: (a) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the following Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the preceding Business Day; (b) any Interest Period that begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period; (c) Borrower may not select any Interest Period for a Revolving Loan which would extend beyond the scheduled Termination Date; and (d) Borrower may not select any Interest Period for a Term Loan if, after giving effect to such selection, the aggregate principal amount of all Term Loans having Interest Periods ending after any date on which an installment of the Term Loans is scheduled to be repaid would exceed the aggregate principal amount of the Term Loans scheduled to be outstanding after giving effect to such repayment.

Inventory has the meaning set forth in the Guarantee and Collateral Agreement.

Investment means, with respect to any Person, (a) the purchase of any debt or equity security of any other Person, (b) the making of any loan or advance to any other Person, (c) becoming obligated with respect to a Contingent Obligation in respect of obligations of any other Person (other than travel and similar advances to employees in the ordinary course of business) or (d) the making of an Acquisition.

Investment Affiliate means, with respect to Manager, any fund or investment vehicle that (a) is organized by Manager for the purpose of making equity or debt investments in one or more companies and (b) is controlled by Manager. For purposes of this definition "control" means the power to direct or cause the direction of management and policies of a Person, whether by contract or otherwise.

IRC means the Internal Revenue Code of 1986, as amended.

Legal Costs means, with respect to any Person, (a) all reasonable fees and charges of any counsel, accountants, auditors, appraisers, consultants and other professionals to such Person, (b) the reasonable allocable cost of internal legal services of such Person and all reasonable disbursements of such internal counsel and (c) all court costs and similar legal expenses.

Lender has the meaning set forth in the Preamble.

LIBOR Loan means any Loan which bears interest at a rate determined by reference to the LIBOR Rate.

LIBOR Rate means, with respect to any LIBOR Loan for any Interest Period, a rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) equal to (i) the offered rate for deposits in Dollars for the applicable Interest Period and for the amount of the applicable LIBOR Loan that appears on Telerate Page 3750 at 11:00 a.m. London time (or, if not so appearing, as published in the "Money Rates" section of The Wall Street Journal or another national publication selected by Lender) two Business Days prior to the first day of such Interest Period, divided by (ii) the sum of one minus the daily average during such Interest Period of the aggregate maximum reserve requirement (expressed as a decimal) then imposed under Regulation D of the FRB for "Eurocurrency Liabilities" (as defined therein).

Lien means, with respect to any Person, any interest granted by such Person in any real or personal property, asset or other right owned or being purchased or acquired by such Person which secures payment or performance of any obligation and shall include any mortgage, lien, encumbrance, charge or other security interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise.

Loan Documents means this Agreement, the Notes, the Collateral Documents and all documents, instruments and agreements delivered in connection with the foregoing, all as amended, restated or otherwise modified from time to time.

Loan Party means Holdings, Borrower and each Subsidiary.

Loans means Revolving Loans and Term Loans.

Manager means Compass Group Management LLC, a Delaware limited liability company.

Margin Stock means any "margin stock" as defined in Regulation T, U or X of the FRB.

Material Adverse Effect means (a) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets, business, properties or prospects of Loan Parties taken as a whole, (b) a material impairment of the ability of any Loan Party to perform any of its Obligations under any Loan Document or (c) a material adverse effect upon

any substantial portion of the Collateral under the Collateral Documents or upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document.

Mortgage means a mortgage, deed of trust, leasehold mortgage or similar instrument granting Lender a Lien on a real property interest of any Loan Party, each as amended, restated or otherwise modified from time to time.

Multiemployer Pension Plan means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which Borrower or any member of the Controlled Group may have any liability.

Net Cash Proceeds means:

(a) with respect to any Disposition, the aggregate cash proceeds (including cash proceeds received pursuant to policies of insurance and by way of deferred payment of principal pursuant to a note, installment receivable or otherwise, but only as and when received) received by any Loan Party pursuant to such Disposition net of (i) the reasonable direct costs relating to such Disposition (including sales commissions and legal, accounting and investment banking fees, commissions and expenses and, in the case of a Disposition of any asset, costs of preparing such asset for sale), (ii) any portion of such proceeds deposited in an escrow account pursuant to the documentation relating to such Disposition (provided that such amounts shall be treated as Net Cash Proceeds upon their release from such escrow account to the applicable Loan Party), (iii) taxes paid or reasonably estimated by Borrower to be payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), (iv) amounts required to be applied to the repayment of any Debt secured by a Lien prior to the Lien of Lender on the asset subject to such Disposition and (v) with respect to any Disposition described in clause (b) or (c) of the definition thereof, all money actually applied within 180 days to repair, replace or reconstruct damaged property or property affected by loss, destruction, damage, condemnation, confiscation, requisition, seizure or taking, all of the costs and expenses reasonably incurred in connection with the collection of such proceeds, award or other payments, and any amounts retained by or paid to parties having superior rights to such proceeds, awards or other payments; and

(b) with respect to any issuance of equity securities, the aggregate cash proceeds received by Holdings, Borrower or any Subsidiary pursuant to such issuance, net of the reasonable direct costs relating to such issuance (including reasonable sales and underwriter's commission).

Non-Senior Debt means the Term B Loans plus all any unsecured Debt of Holdings, Borrower or a Subsidiary which has subordination terms, covenants, pricing and other terms which have been approved in writing by Lender.

Note means a promissory note substantially in the form of Exhibit D, as the same may be amended, restated or otherwise modified from time to time.

Obligations means all liabilities, indebtedness and obligations (monetary (including post-petition interest, allowed or not) or otherwise) of any Loan Party under this Agreement, any other Loan Document, any Collateral Document or any other document or instrument executed in connection herewith or therewith and all Hedging Obligations permitted hereunder which are owed to Lender or its Affiliates, in each case howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due.

Operating Lease means any lease of (or other agreement conveying the right to use) any real or personal property by Borrower or any Subsidiary, as lessee, other than any Capital Lease.

Paid in Full means, with respect to any Obligations, (a) the payment in full in cash and performance of all such Obligations, and (b) the termination of all Commitments relating to such Obligations.

PBGC means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

Pension Plan means a "pension plan", as such term is defined in Section 3(2) of ERISA, which is subject to Title IV of ERISA (other than a Multiemployer Pension Plan), and to which Borrower or any member of the Controlled Group may have any liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

Person means any natural person, corporation, partnership, trust, limited liability company, association, governmental authority or unit, or any other entity, whether acting in an individual, fiduciary or other capacity.

Pro Rata Revolving Share means, with respect to Lender or any Assignee, the applicable percentage (as adjusted from time to time in accordance with the terms hereof) specified opposite such Person's name on Annex I which corresponds to the Revolving Loan Commitment, which percentage shall be with respect to Revolving Loans outstanding if the Revolving Loan Commitment has terminated.

Pro Rata Share means, with respect to Lender or any Assignee, the applicable percentage (as adjusted from time to time in accordance with the terms hereof) obtained by dividing (a) the sum of (i) such Person's Pro Rata Revolving Share of the Revolving Loan Commitment (or if the Revolving Loan Commitment has terminated, such Person's Pro Rata Revolving Share of the Revolving Loans outstanding), (ii) such Person's Pro Rata Term A Loan Share of the Term A Loans) and (iii) such Person's Pro Rata Term B Loan Share of the Term B Loans, by (b) the Total Loan Commitment.

Pro Rata Term A Loan Share means, with respect to Lender or any Assignee, the applicable percentage (as adjusted from time to time in accordance with the terms hereof) specified opposite such Person's name on Annex I which corresponds to the Term A Loans.

Pro Rata Term B Loan Share means, with respect to Lender or any Assignee, the applicable percentage (as adjusted from time to time in accordance with the terms hereof) specified opposite such Person's name on Annex I which corresponds to the Term B Loans.

Related Transactions means the transactions contemplated by the Stock Purchase Agreement, dated as of even date herewith, by and among Compass Group Diversified Holdings, Inc., Compass Group Investments, Inc., Compass CS Partners, L.P., Compass CS II Partners, L.P., Compass Crosman Partners, L.P., Compass Advanced Partners, L.P. and Compass Silvue Partners, L.P., including the Ancillary Purchase and Redemption Transactions as defined therein.

Revolving Loan Commitment means **[$___]** (as reduced from time to time pursuant to the terms hereof), plus such additional amounts, if any, that Lender may, in its sole discretion, from time to time commit to advance as Revolving Loans in connection with one or more Acquisitions; provided, however, that no advance in respect of any such additional Revolving Loan Commitment shall exceed that amount that would result in Borrower's: (i) Senior Debt to EBITDA Ratio exceeding 3.0 to 1.0; or (ii) Total Debt to EBITDA Ratio exceeding 4.0 to 1.0, with both such ratios calculated as of the last day of the Fiscal Quarter immediately proceeding the Fiscal Quarter in which such additional amount is to be advanced and on a pro forma basis based on EBITDA for the Computation Period as if the applicable Acquisition had been consummated on the calculation date, with such adjustments thereto as may be determined necessary or appropriate by Lender.

Revolving Loans has the meaning set forth in Section 2.1.1.

Senior Debt means, as of any day, the Revolving Loans, to the extent outstanding at the end of such day, plus the aggregate principal amount of the Term A Loans outstanding at the end of such day, plus all obligations, contingent or otherwise, with respect to the face amount of all letters of credit (whether or not drawn) and banker's acceptances, if any, issued for the account of Borrower and outstanding at the end of such day.

Senior Debt to EBITDA Ratio means, as of the last day of any Fiscal Quarter, the ratio of (i) Senior Debt as of such day to (ii) EBITDA for the Computation Period ending on such day.

Subsidiary means, with respect to any Person, a corporation, partnership, limited liability company or other entity of which such Person owns, directly or indirectly, such number of outstanding shares or other equity interests as to have more than 50% of the ordinary voting power for the election of directors or other managers of such corporation, partnership, limited liability company or other entity. Unless the context otherwise requires, each reference to Subsidiary or Subsidiaries herein shall be a reference to Subsidiary or Subsidiaries of Borrower.

Term A Loan Commitment means **[$___]** plus, after the Closing Date, such additional amounts, if any, that Lender may, in its sole discretion, from time to time advance as Term A Loans in connection with one or more Acquisitions; provided, however, that no such additional Term A Loan Commitment shall exceed that amount which would result in Borrower's: (i) Senior Debt to EBITDA Ratio exceeding 3.0 to 1.0; or (ii) Total Debt to EBITDA Ratio exceeding 4.0 to 1.0, with both such ratios calculated as of the last day of the

Fiscal Quarter immediately proceeding the Fiscal Quarter in which such additional amount is to be advanced and on a pro forma basis based on EBITDA for the Computation Period as if the applicable Acquisition had been consummated on the calculation date, with such adjustments thereto as may be determined necessary or appropriate by Lender.

Term A Loan Maturity Date means **[**___, 2012**]** or such earlier date on which the Commitments terminate pursuant to Section 8.

Term A Loans means a loan from Lender to Borrower in the principal amount of the Term A Loan Commitment on the Closing Date, together with such other loans, if any, pursuant to the Term A Loan Commitment.

Term B Loan Commitment means **[**$___**]** plus, after the Closing Date, such additional amounts, if any, that Lender may, in its sole discretion, from time to time advance as Term B Loans in connection with one or more Acquisitions; provided, however, that no such additional Term B Loan Commitment shall exceed that amount which would result in Borrower's Total Debt to EBITDA Ratio exceeding 4.0 to 1.0, with such ratio to be calculated as of the last day of the Fiscal Quarter immediately proceeding the Fiscal Quarter in which such additional amount is to be advanced and on a pro forma basis based on EBITDA for the Computation Period as if the applicable Acquisition had been consummated on the calculation date, with such adjustments thereto as may be determined necessary or appropriate by Lender.

Term B Loan Maturity Date means **[**___, 2013**]** or such earlier date on which the Commitments terminate pursuant to Section 8.

Term B Loans means a loan from Lender to Borrower in the principal amount of the Term B Loan Commitment on the Closing Date, together with such other loans, if any, pursuant to the Term B Loan Commitment.

Term Loans means the Term A Loans and the Term B Loans, collectively.

Termination Date means **[**___, 2012**]** or such earlier date on which the Revolving Loan Commitment terminates pursuant to Section 2.9 or Section 8.

Total Debt means, as of any day, all Debt (other than Debt described in clause (g) of the definition thereof and Debt of any Loan Party to another Loan Party) of Borrower and the Subsidiaries at the end of such day, determined on a consolidated basis.

Total Debt to EBITDA Ratio means, as of the last day of any Fiscal Quarter, the ratio of (a) Total Debt as of such day to (b) EBITDA for the Computation Period ending on such day.

Total Loan Commitment means at any date of determination, the sum of (i) the Revolving Loan Commitment (or if the Revolving Loan Commitment has terminated, the Revolving Loans then outstanding) at the end of such date plus (ii) the outstanding principal balance of the Term Loans at the end of such date.

[U. S. Bank Letter of Credit Obligations means all obligations of Borrower to U.S. Bank National Association under that certain [Loan Facility], dated as of ___; provided, however, such obligations shall not exceed $25,000,000 and shall be secured by a first priority lien on the Accounts of Borrower.]

Wholly-Owned Subsidiary means, as to any Person, another Person all of the equity interests of which (except directors' qualifying shares) are at the time directly or indirectly owned by such Person and/or another Wholly-Owned Subsidiary of such Person. Unless the context otherwise requires, each reference to Wholly-Owned Subsidiary or Wholly-Owned Subsidiaries herein shall be a reference to Wholly-Owned Subsidiary or Wholly-Owned Subsidiaries of Borrower.

1.2 Interpretation.

In the case of this Agreement and each other Loan Document, (a) the meanings of defined terms are equally applicable to the singular and plural forms of the defined terms; (b) Annex, Exhibit, Schedule and Section references are to such Loan Document unless otherwise specified; (c) the term "including" is not limiting and means "including but not limited to"; (d) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including"; (e) unless otherwise expressly provided in such Loan Document, (i) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document, and (ii) references to any statute or regulation shall be construed as including all statutory and regulatory provisions amending, replacing, supplementing or interpreting such statute or regulation; (f) this Agreement and the other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters, all of which are cumulative and each shall be performed in accordance with its terms; and (g) this Agreement and the other Loan Documents are the result of negotiations among and have been reviewed by counsel to Lender, Borrower and the other parties thereto and are the products of all parties; accordingly, they shall not be construed against Lender merely because of Lender's involvement in their preparation.

Section 2. Credit Facilities.

2.1 Commitments.

On and subject to the terms and conditions of this Agreement, Lender agrees as follows:

2.1.1 Revolving Loan Commitments.

Lender will make loans to Borrower on a revolving basis ("Revolving Loans") from time to time and Borrower may repay such loans from time to time until the Termination Date in such amounts as Borrower may request from Lender; provided, that after giving effect to such Revolving Loans, the Revolving Loans outstanding will not at any time exceed the Revolving Loan Commitment [or, if less, the Borrowing Availability].

2.1.2 Term Loan Commitments.

Lender agrees to make (a) a Term A Loan to Borrower on the Closing Date in an amount equal to the Term A Loan Commitment as of the Closing Date, and (b) a Term B Loan to Borrower on the Closing Date in an amount equal to the Term B Loan Commitment as of the Closing Date. The Lender shall have no obligation to make Term Loans after the Closing Date. Term Loans which are repaid or prepaid by Borrower, in whole or in part, may not be re-borrowed.

2.2 Loan Procedures.

2.2.1 Loan Types.

Each Loan shall be either a Base Rate Loan or a LIBOR Loan, as Borrower shall specify in the related notice of borrowing or conversion pursuant to Section 2.2.2 or 2.2.3. Base Rate Loans and LIBOR Loans may be outstanding at the same time, provided that not more than three different Interest Periods shall exist among outstanding LIBOR Loans at any one time. All borrowings, conversions and repayments of Revolving Loans shall be effected so that Lender and each Assignee will have a ratable share (according to its Pro Rata Revolving Share) of all Revolving Loans and all Interest Periods of LIBOR Loans. Notwithstanding the foregoing or any other provision of this Agreement, Borrower may not make more than one Revolving Loan borrowing during any single calendar week.

2.2.2 Borrowing.

Borrower shall give written notice or telephonic notice (followed immediately by written confirmation thereof) to Lender of each proposed borrowing of a Revolving Loan not later than (a) in the case of a Base Rate borrowing, 11:00 a.m. New York City time at least two (2) Business Days prior to the proposed date of such borrowing, and (b) in the case of a LIBOR borrowing, 11:00 a.m. New York City time at least four (4) Business Days prior to the proposed date of such borrowing; provided, however, that Lender shall have no obligation to advance such borrowings more than one time each week. Each such notice shall be effective upon receipt by Lender, shall be irrevocable, and shall specify, in the form of a Borrowing Notice, the date, amount and type of borrowing and, in the case of LIBOR borrowing, the initial Interest Period therefor. So long as Borrower's request is timely made and the conditions precedent set forth in Section 4 with respect to such borrowing have been satisfied, Lender shall pay over the proceeds of such borrowing request to Borrower on the requested borrowing date. Each borrowing shall be on a Business Day. Each Base Rate borrowing shall be in an aggregate amount of $250,000 or of any integral multiple of $50,000 in excess thereof, and each LIBOR borrowing shall be in an aggregate amount of $250,000 or of any integral multiple of $50,000 in excess thereof.

2.2.3 Conversion; Continuation.

(a) Subject to Section 2.2.1, Borrower may, upon irrevocable written notice to Lender in accordance with clause (b) below, elect (i) as of any Business Day, to convert any Loans (or any part thereof in an aggregate amount of not less than $250,000 or a higher integral multiple of $50,000) into Loans of the other type or (ii) as of the last day of the applicable Interest Period, to continue any LIBOR Loans having Interest Periods expiring on such day (or

any part thereof in an aggregate amount not less than $250,000 or a higher integral multiple of $50,000) for a new Interest Period; provided, that any conversion of a LIBOR Loan on a day other than the last day of an Interest Period therefor shall be subject to Section 3.5.

(b) Borrower shall give written or telephonic notice (followed immediately by written confirmation thereof) to Lender of each proposed conversion or continuation not later than (i) in the case of conversion into Base Rate Loans, 11:00 a.m. New York City time at least one Business Day prior to the proposed date of such conversion and (ii) in the case of conversion into or continuation of LIBOR Loans, 11:00 a.m. New York City time at least four Business Days prior to the proposed date of such conversion or continuation, specifying in each case in the form of a Conversion/Continuation Notice: (i) the proposed date of conversion or continuation; (ii) the aggregate amount of Loans to be converted or continued; (iii) the type of Loans resulting from the proposed conversion or continuation; and (iv) in the case of conversion into, or continuation of, LIBOR Loans, the duration of the requested Interest Period therefor.

(c) If upon the expiration of any Interest Period applicable to LIBOR Loans, Borrower has failed to select timely a new Interest Period to be applicable to such LIBOR Loans, Borrower shall be deemed to have elected to convert such LIBOR Loans into Base Rate Loans effective on the last day of such Interest Period.

2.3 [Reserved]

2.4 Certain Conditions.

Notwithstanding any other provision of this Agreement, Lender shall not have an obligation to make any Loan, or to permit the continuation of any expiring LIBOR Loan as a LIBOR Loan, or to permit any conversion into any LIBOR Loans, if an Event of Default or Default exists.

2.5 Loan Accounting.

2.5.1 Recordkeeping.

Lender shall record in its records the date and amount of each Loan made and each repayment or conversion thereof and, in the case of each LIBOR Loan, the dates on which each Interest Period for such Loan shall begin and end. The aggregate unpaid principal amount so recorded shall be rebuttably presumptive evidence of the principal amount of the Loans owing and unpaid. The failure to so record any such amount or any error in so recording any such amount shall not, however, limit or otherwise affect the Obligations of Borrower hereunder or under any Note to repay the principal amount of the Loans hereunder, together with all interest accruing thereon.

2.6 Interest.

2.6.1 Interest Rates.

Borrower promises to pay interest on the unpaid principal amount of each Loan for the period commencing on the date of such Loan until such Loan is paid in full as follows:

(a) at all times which such Loan is a Base Rate Loan, at a rate per annum equal to the sum of the Base Rate from time to time in effect plus the Applicable Margin; and (b) at all times while such Loan is a LIBOR Loan, at a rate per annum equal to the LIBOR Rate applicable to each Interest Period for such Loan plus the Applicable Margin; provided, that (i) at any time an Event of Default exists, if requested by Lender, the Applicable Margin corresponding to each Loan shall be increased by two percentage points per annum (and, in the case of Obligations not subject to an Applicable Margin, such Obligations shall bear interest at the Base Rate applicable to Revolving Loans plus the Applicable Margin plus two percentage points per annum), (ii) any such increase may thereafter be rescinded by Lender, and (iii) upon the occurrence of an Event of Default under Section 8.1.1 or 8.1.3, any such increase described in the foregoing clause (i) shall occur automatically. In no event shall interest payable by Borrower to Lender hereunder exceed the maximum rate permitted under applicable law, and if any such provision of this Agreement is in contravention of any such law, such provision shall be deemed modified to limit such interest to the maximum rate permitted under such law.

2.6.2 Interest Payment Dates.

Accrued interest on each Base Rate Loan shall be payable in arrears on the last day of each calendar month and at maturity in cash. Accrued interest on each LIBOR Loan shall be payable (a) on the last day of each Interest Period relating to such Loan, (b) upon a prepayment of such Loan in accordance with Section 2.9 and (c) at maturity in cash. After maturity and at any time an Event of Default exists, all accrued interest on all Loans shall be payable in cash on demand at the rates specified in Section 2.7.1.

2.6.3 Setting and Notice of LIBOR Rates.

The applicable LIBOR Rate for each Interest Period shall be determined by Lender, and notice thereof shall be given by Lender promptly to Borrower. Each determination of the applicable LIBOR Rate by Lender shall be conclusive and binding upon the parties hereto, in the absence of demonstrable error. Lender shall, upon written request of Borrower, deliver to Borrower a statement showing the computations used by Lender in determining any applicable LIBOR Rate hereunder.

2.6.4 Computation of Interest.

Interest shall be computed for the actual number of days elapsed on the basis of a year of (a) 365/366 days for interest calculated at the Base Rate and (b) 360 days for interest calculated at the LIBOR Rate. The applicable interest rate for each Base Rate Loan shall change simultaneously with each change in the Base Rate.

2.7 Fees.

2.7.1 Commitment Fee.

For the period from the Closing Date to the Termination Date, Borrower agrees to pay to Lender a Commitment Fee equal to the Applicable Margin multiplied by the amount by which the Revolving Loan Commitment exceeds the average daily Revolving Loans outstanding. The Commitment Fee shall be payable in arrears on the last day of each calendar month and on

the Termination Date for any period then ending for which the Commitment Fee shall not have previously been paid. The Commitment Fee shall be computed for the actual number of days elapsed on the basis of a year of 360 days.

2.7.2 Additional Commitment Fees.

Borrower agrees to pay to Lender on each date, if any, on which (i)Term A Loans or Revolving Loans are advanced or Revolving Loan Commitments made after the Closing Date an amount equal to 1.0% multiplied by the amount of each such post-Closing Date advance or commitment, and (ii) Term B Loans are advanced after the Closing Date an amount equal to 2.0% multiplied by the amount of each such post-Closing Date advance.

2.7.3 [Origination Fee].[3]

2.8 Commitment Reduction.

2.8.1 Voluntary Reduction or Termination of Revolving Loan Commitment.

Borrower may from time to time on at least five Business Days' prior written notice received by Lender permanently reduce the Revolving Loan Commitment to an amount not less than the Revolving Loans. Any such reduction shall be in an amount not less than $500,000 or a higher integral multiple of $100,000. Concurrently with any reduction of the Revolving Loan Commitment to zero, Borrower shall pay all interest on the Revolving Loans and all commitment fees.

2.8.2 Mandatory Reduction of Revolving Loan Commitment.

On the date of any mandatory prepayment pursuant to Section 2.9.2(a)(i) or (ii), the Revolving Loan Commitment shall be permanently reduced by the amount of such mandatory prepayment applied to prepay the Revolving Loans pursuant to Section 2.9.2(a)(i) or (ii).

2.9 Prepayment.

2.9.1 Voluntary Prepayment.

Borrower may from time to time, on at least one Business Day's written notice or telephonic notice (if a telephonic notice, followed immediately by written confirmation thereof) to Lender not later than 11:00 a.m. New York City time on such day, prepay the Term Loans in whole or in part; provided that Borrower may not prepay all or any portion of the Term B Loans if, either immediately prior to or after giving effect to any such prepayment, any portion of the Revolving Loans or Term A Loans are outstanding. Such notice to Lender shall specify the Loans to be prepaid and the date and amount of prepayment. Any such partial prepayment shall

---

3 Applicable only to the CBS Credit Agreement.

be in an amount equal to $500,000 or a higher integral multiple of $100,000. All prepayments of Term Loans pursuant to this Section 2.9.1 shall be applied pursuant to Section 2.9.3.

2.9.2 Mandatory Prepayment.

(a) Subject to Section 2.9.2(c), Borrower shall prepay, first, the Term A Loans until Paid in Full and, then, the Term B Loans until Paid in Full (in each case in the inverse order of maturity to the remaining installments thereof), at the following times and in the following amounts:

(i) concurrently with the receipt by Holdings, Borrower or any Subsidiary of any Net Cash Proceeds from any Disposition, in an amount equal to such Net Cash Proceeds;

(ii) concurrently with the receipt by Holdings, Borrower or any Subsidiary of any Net Cash Proceeds from any issuance of its equity securities (other than equity securities that are issued pursuant to Section 7.11(a)), in an amount equal to such Net Cash Proceeds; and

(iii) within 90 days after the end of each Fiscal Year (commencing with Fiscal Year 2006), in an amount equal to the ECF Percentage of Excess Cash Flow for such Fiscal Year.

(b) If on any day the Revolving Loans then outstanding exceed Borrowing Availability, whether pursuant to a reduction of the Revolving Loan Commitment pursuant to Section 2.8.1 or otherwise, Borrower shall immediately prepay Revolving Loans in an amount sufficient to eliminate such excess.

(c) Notwithstanding Section 2.9.2(a), on each Monday during the term of the Revolving Loan Commitment and for so long as there are Revolving Loans outstanding, Borrower shall prepay the Revolving Loans until Paid in Full in an amount equal to the Excess Cash at the time of such payment. Payments pursuant to this Section 2.9.2(c) shall not result in a reduction in the Revolving Loan Commitment.

2.9.3 All Prepayments.

(a) Any prepayment of a LIBOR Loan on a day other than the last day of an Interest Period therefor shall include interest on the principal amount being repaid and shall be subject to Section 3. All prepayments of a Loan shall be applied first to that portion of such Loan comprised of Base Rate Loans and then to that portion of such Loan comprised of LIBOR Loans, in direct order of Interest Period maturities. All prepayments of Term Loans shall be applied first to Term A Loans until Paid in Full and then to Term B Loans and, in each case, in the inverse order of maturity to the remaining installments thereof.

(b) Borrower shall give written notice or telephonic notice (followed immediately by written confirmation thereof) to Lender not later than 11:00 a.m. New York City time at least one Business Day prior to each mandatory prepayment pursuant to clause (a) of Section 2.9.2.

2.10 Repayment.

2.10.1 Revolving Loans.

The Revolving Loans shall be paid, for the account of Lender and any Assignee according to its respective Pro Rata Revolving Share, in full on the Termination Date.

2.10.2 Term A Loans.

The Term A Loans shall amortize as provided in the following table, with each annualized amount being due and payable in equal quarterly installments on the last day of each Fiscal Quarter, commencing June 30, 2006 and continuing to the Term Loan A Maturity Date, on which date the then outstanding Term A Loans shall be paid in full:

Year	Annual Amortization
1	$—
2	$—
3	$—
4	$—
5	$—
6	$—

2.10.3 Term B Loans.

The Term B Loans shall be paid in full on the Term B Loan Maturity Date.

2.11 Payment.

2.11.1 Making Payments.

All payments of principal of or interest on the Notes, and of all fees, shall be made by Borrower to Lender without setoff, recoupment or counterclaim and in immediately available funds at the office specified by Lender not later than 12:00 noon New York City time on the date due, and funds received after that hour shall be deemed to have been received by Lender on the following Business Day.

2.11.2 Application of Payments and Proceeds.

(a) Except as set forth in Section 2.9.2 and Section 2.9.3, and subject to the provisions of Sections 2.11.2(b) and 2.11.2(c) below, each payment of principal shall be applied to such Loans as Borrower shall direct by notice to be received by Lender on or before the date of such payment or, in the absence of such notice, as Lender shall determine in its discretion.

(b) If an Acceleration Event shall have occurred and be continuing, notwithstanding anything herein or in any other Loan Document to the contrary, Lender shall apply all or any part of payments in respect of the Obligations and proceeds of Collateral, in each case as received by Lender, to the payment of the Obligations in the following order:

(i) FIRST, to the payment of all fees, costs, expenses and indemnities due and owing to Lender under this Agreement or any other Loan Document, and any other Obligations owing to Lender in respect of sums advanced by Lender to preserve or protect the Collateral or to preserve or protect its security interest in the Collateral (whether or not such Obligations are then due and owing to Lender), until Paid in Full;

(ii) SECOND, to the payment of all fees, costs, expenses and indemnities due and owing to Lender, other than in respect of Term B Loans, until Paid in Full;

(iii) THIRD, to the payment of all accrued and unpaid interest due and owing to Lender, other than in respect of Term B Loans, until Paid in Full;

(iv) FOURTH, to the payment of all principal of the Loans, other than Term B Loans, due and owing until Paid in Full;

(v) FIFTH, to the payment of all Hedging Obligations due and owing to Lender or its Affiliates;

(vi) SIXTH, to the payment of all other Obligations owing to Lender, other than Obligations owing in respect of Term B Loans, until Paid in Full;

(vii) SEVENTH, to the payment of all fees, costs, expenses and indemnities due and owing to Lender in respect of Term B Loans until Paid in Full;

(viii) EIGHTH, to the payment of all accrued and unpaid interest due and owing to Lender in respect of Term B Loans until Paid in Full;

(ix) NINTH, to the payment of all principal of Term B Loans due and owing until Paid in Full; and

(x) TENTH, to the payment of all other Obligations owing to Lender in respect of Term B Loans until Paid in Full.

(c) If an Event of Default shall have occurred and be continuing but an Acceleration Event shall not exist, notwithstanding anything herein or in any other Loan Document to the contrary, Lender shall apply all or any part of payments in respect of the obligations and proceeds of Collateral, in each case as received by Lender, to the payment of the Obligations in such order as Lender may elect. In the absence of a specific determination by Lender, payments in respect of the Obligations and proceeds of Collateral received by Lender shall be applied in the following order:

(i) FIRST, to the payment of all fees, costs, expenses and indemnities due and owing to Lender under this Agreement or any other Loan Document, and any other

Obligations owing to Lender in respect of sums advanced by Lender to preserve or protect the Collateral or to preserve or protect its security interest in the Collateral (whether or not such Obligations are then due and owing to Lender), until Paid in Full;

(ii) SECOND, to the payment of all fees, costs, expenses and indemnities due and owing to Lender, other than in respect of Term B Loans, until Paid in Full;

(iii) THIRD, to the payment of all accrued and unpaid interest due and owing to Lender, other than in respect of Term B Loans, until Paid in Full;

(iv) FOURTH, to the payment of all principal of the Loans, other than Term B Loans, then due and owing until Paid in Full;

(v) FIFTH, to the payment of Revolving Loans not then due and owing until Paid in Full;

(vi) SIXTH, to the payment of all Hedging Obligations owing to Lender or its Affiliates, pro rata in accordance with Lender's or one of its Affiliate's share thereof, until Paid in Full;

(vii) SEVENTH, to the payment of all other Obligations owing to Lender, other than Obligations owing in respect of Term B Loans, until Paid in Full;

(viii) EIGHTH, to the payment of all fees, costs, expenses and indemnities due and owing to Lender in respect of Term Loans until Paid in Full;

(ix) NINTH, to the payment of all accrued and unpaid interest due and owing to Lender in respect of Term B Loans until Paid in Full;

(x) TENTH, to cash collateralize Obligations consisting of Term B Loans not yet due and owing until Paid in Full; and

(xi) ELEVENTH, to the payment of all other Obligations owing to Lender in respect of Term B Loans until Paid in Full.

2.11.3 Payment Dates.

If any payment of principal or interest with respect to any of the Loans, or of any fees, falls due on a day which is not a Business Day, then such due date shall be extended to the immediately following Business Day (unless, in the case of a LIBOR Loan, such immediately following Business Day is the first Business Day of a calendar month, in which case such due date shall be the immediately preceding Business Day) and, in the case of principal, additional interest shall accrue and be payable for the period of any such extension.

2.11.4 Set-off.

Borrower agrees that Lender and its Affiliates have all rights of set-off and bankers' lien provided by applicable law, and in addition thereto, Borrower agrees that at any

time an Event of Default has occurred and is continuing, Lender may apply to the payment of any Obligations of Borrower hereunder, whether or not then due, any and all balances, credits, deposits, accounts or moneys of Borrower then or thereafter with Lender.

Section 3. Yield Protection.

3.1 Taxes.

(a) All payments of principal and interest on the Loans and all other amounts payable hereunder shall be made free and clear of and without deduction for any present or future income, excise, stamp, documentary, property or franchise taxes and other taxes, fees, duties, levies, withholdings or other charges of any nature whatsoever imposed by any taxing authority, excluding taxes imposed on or measured by Lender’s net income by the jurisdiction under which Lender is organized or conducts business (all non-excluded items being called “Taxes”). If any withholding or deduction from any payment to be made by Borrower hereunder is required in respect of any Taxes pursuant to any applicable law, rule or regulation, then Borrower will: (i) pay directly to the relevant authority the full amount required to be so withheld or deducted; (ii) promptly forward to Lender an official receipt or other documentation satisfactory to Lender evidencing such payment to such authority; and (iii) pay to Lender such additional amount or amounts as is necessary to ensure that the net amount actually received by Lender will equal the full amount Lender would have received had no such withholding or deduction been required. If any Taxes are directly asserted against Lender with respect to any payment received by Lender hereunder, Lender may pay such Taxes and Borrower will promptly pay such additional amounts (including any penalty, interest or expense) as is necessary in order that the net amount received by such Person after the payment of such Taxes (including any Taxes on such additional amount) shall equal the amount such Person would have received had such Taxes not been asserted so long as such amounts have accrued on or after the day which is 180 days prior to the date on which Lender first made demand therefor; provided, that if the event giving rise to such costs or reductions has retroactive effect, such 180 day period shall be extended to include the period of retroactive effect.

(b) If Borrower fails to pay any Taxes when due to the appropriate taxing authority or fails to remit to Lender the required receipts or other required documentary evidence, Borrower shall indemnify Lender for any incremental Taxes, interest or penalties that may become payable by Lender as a result of any such failure.

(c) Each Assignee that (i) is organized under the laws of a jurisdiction other than the United States of America and (ii) becomes an assignee of an interest under this Agreement under Section 9.8.1 after the Closing Date (unless such Person was already a Lender hereunder immediately prior to such assignment) shall execute and deliver to Borrower and Lender one or more (as Borrower or Lender may reasonably request) Forms W-8ECI, W-8BEN, W-8IMY (as applicable) or other applicable form, certificate or document prescribed by the United States Internal Revenue Service certifying as to such Person’s entitlement to exemption from withholding or deduction of Taxes. Borrower shall not be required to pay additional amounts to any Person pursuant to this Section 3.1 to the extent that the obligation to pay such additional amounts would not have arisen but for the failure of such Person or Lender to comply with this paragraph.

3.2 Increased Cost.

(a) If, after the Closing Date, the adoption of, or any change in, any applicable law, rule or regulation, or any change in the interpretation or administration of any applicable law, rule or regulation by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by Lender with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall impose on Lender any other condition affecting its LIBOR Loans, its Note or its obligation to make LIBOR Loans; and the result of anything described above is to increase the cost to (or to impose a cost on) Lender of making or maintaining any LIBOR Loan, or to reduce the amount of any sum received or receivable by Lender under this Agreement or under its Note with respect thereto, then upon demand by Lender (which demand shall be accompanied by a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail), Borrower shall pay directly to Lender such additional amount as will compensate Lender for such increased cost or such reduction, so long as such amounts have accrued on or after the day which is 180 days prior to the date on which Lender first made demand therefor; provided, that if the event giving rise to such costs or reductions has retroactive effect, such 180 day period shall be extended to include the period of retroactive effect.

(b) If Lender shall reasonably determine that any change in, or the adoption or phase-in of, any applicable law, rule or regulation regarding capital adequacy, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or the compliance by Lender or any Person controlling Lender with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on Lender’s or such controlling Person’s capital as a consequence of Lender’s obligations hereunder to a level below that which Lender or such controlling Person could have achieved but for such change, adoption, phase-in or compliance (taking into consideration Lender’s or such controlling Person’s policies with respect to capital adequacy) by an amount deemed by Lender or such controlling Person to be material, then from time to time, upon demand by Lender (which demand shall be accompanied by a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail), Borrower shall pay to Lender such additional amount as will compensate Lender or such controlling Person for such reduction, so long as such amounts have accrued on or after the day which is 180 days prior to the date on which Lender first made demand therefor; provided, that if the event giving rise to such costs or reductions has retroactive effect, such 180 day period shall be extended to include the period of retroactive effect.

3.3 Inadequate or Unfair Basis.

If Lender reasonably determines (which determination shall be binding and conclusive on Borrower) that, by reason of circumstances affecting the interbank Eurodollar market, adequate and reasonable means do not exist for ascertaining the applicable LIBOR Rate, then Lender shall promptly notify the Borrower thereof and, so long as such circumstances shall continue, (a) Lender shall be under no obligation to make or convert any Base Rate Loans into

LIBOR Loans and (b) on the last day of the current Interest Period for each LIBOR Loan, such Loan shall, unless then repaid in full, automatically convert to a Base Rate Loan.

3.4 Change in Law.

If any change in, or the adoption of any new, law or regulation, or any change in the interpretation of any applicable law or regulation by any governmental or other regulatory body charged with the administration thereof, would make it (or in the good faith judgment of Lender cause a substantial question as to whether it is) unlawful for Lender to make, maintain or fund LIBOR Loans, then Lender shall promptly notify each of the other parties hereto and, so long as such circumstances shall continue, (a) Lender shall have no obligation to make or convert any Base Rate Loan into a LIBOR Loan (but shall make Base Rate Loans in each case in an amount equal to the amount of LIBOR Loans which would be made or converted into by Lender at such time in the absence of such circumstances) and (b) on the last day of the current Interest Period for each LIBOR Loan of Lender (or, in any event, on such earlier date as may be required by the relevant law, regulation or interpretation), such LIBOR Loan shall, unless then repaid in full, automatically convert to a Base Rate Loan. Each Base Rate Loan made by Lender which, but for the circumstances described in the foregoing sentence, would be a LIBOR Loan shall remain outstanding for the period corresponding to the Interest Period originally applicable to such LIBOR Loan absent such circumstances.

3.5 Funding Losses.

Borrower hereby agrees that upon demand by Lender (which demand shall be accompanied by a statement setting forth the basis for the amount being claimed), Borrower will indemnify Lender against any net loss or expense which Lender may sustain or incur (including any net loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by Lender to fund or maintain any LIBOR Loan), as reasonably determined by Lender, as a result of (a) any payment, prepayment or conversion of any LIBOR Loan of Lender on a date other than the last day of an Interest Period for such Loan (including any conversion pursuant to Section 3.3 or 3.4) or (b) any failure of Borrower to borrow, convert or continue any Loan on a date specified therefor in a notice of borrowing, conversion or continuation pursuant to this Agreement. For the purposes of this Section 3.5, all determinations shall be made as if Lender had actually funded and maintained each LIBOR Loan during each Interest Period for such Loan through the purchase of deposits having a maturity corresponding to such Interest Period and bearing an interest rate equal to the LIBOR Rate for such Interest Period.

3.6 Manner of Funding; Alternate Funding Offices.

Notwithstanding any provision of this Agreement to the contrary, Lender shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it may determine at its sole discretion. Lender may, if it so elects, fulfill its commitment to make any LIBOR Loan by causing any branch or Affiliate of Lender to make such Loan; provided that in such event for the purpose of this Agreement, such Loan shall be deemed to have been made by Lender, the obligation of Borrower to repay such Loan shall nevertheless be to Lender and shall

be deemed held by Lender, to the extent of such Loan, for the account of such branch or Affiliate.

3.7 Mitigation of Circumstances; Replacement of Lender.

(a) Lender shall promptly notify Borrower of any event of which it has knowledge which will result in, and will use reasonable commercial efforts available to it (and not, in Lender's sole judgment, otherwise disadvantageous to Lender) to mitigate or avoid any obligation by Borrower to pay any amount pursuant to Sections 3.1 or 3.2 or the occurrence of any circumstances described in Sections 3.3 or 3.4 (and, if Lender has given notice of any such event and thereafter such event ceases to exist, Lender shall promptly so notify Borrower).

(b) If (i) Borrower becomes obligated to pay additional amounts to Lender pursuant to Sections 3.1 or 3.2 or the occurrence of any circumstances described in Sections 3.3 or 3.4, or (ii) Lender defaults in its obligation to make Revolving Loans under Section 2.1.1, then Borrower may within 90 days thereafter designate another bank which is acceptable to Lender in Lender's reasonable discretion (such other bank being called a "Replacement Lender") to purchase the Loans of Lender and Lender's rights hereunder, without recourse to or warranty by, or expense to, Lender, for a purchase price equal to the outstanding principal amount of the Loans payable to Lender plus any accrued but unpaid interest on such Loans and all accrued but unpaid fees owed to Lender and any other amounts payable to Lender under this Agreement, and to assume all the obligations of Lender hereunder, and, upon such purchase and assumption (pursuant to an Assignment Agreement), Lender shall no longer be a party hereto or have any rights hereunder (other than rights with respect to indemnities and similar rights applicable to Lender prior to the date of such purchase and assumption) and shall be relieved from all obligations to Borrower hereunder, and the Replacement Lender shall succeed to the rights and obligations of Lender hereunder.

3.8 Conclusiveness of Statements; Survival.

Determinations and statements of Lender pursuant to Sections 3.1, 3.2, 3.3, 3.4 or 3.5 shall be conclusive absent demonstrable error. Lender may use reasonable averaging and attribution methods in determining compensation under Sections 3.1, 3.2 and 3.5 and the provisions of such Sections shall survive repayment of the Loans, cancellation of the Notes and termination of this Agreement.

Section 4. Conditions Precedent.

The obligation of Lender to make its Loans is subject to the following conditions precedent:

4.1 Initial Credit Extension.

The obligation of Lender to make the initial Loans hereunder is, in addition to the conditions precedent specified in Section 4.2, subject to the following conditions precedent, each of which shall be satisfactory in all respects to Lender:

4.1.1 EBITDA.

EBITDA, as adjusted by adjustments satisfactory to Lender, for the 12 month period ending **[__________**, 200___**]** shall not be less than **[**$**__________]**.

4.1.2 Initial Loans; Availability.

Not more than **[**$**__________]** in Revolving Loans shall be advanced or issued (as applicable) on the Closing Date, and after giving effect to the consummation of the Related Transactions and funding of the initial Loans on the Closing Date, Borrowing Availability shall exceed the Revolving Loans outstanding by at least **[**$**__________]**.

4.1.3 Debt to be Repaid.

The Debt to be Repaid has been (or concurrently with the initial borrowing will be) paid in full.

4.1.4 Fees.

Borrower shall have paid all fees, costs and expenses due and payable under this Agreement and the other Loan Documents on the Closing Date.

4.1.5 Delivery of Loan Documents.

Borrower shall have delivered the following documents in form and substance satisfactory to Lender (and, as applicable, duly executed by each Loan Party a party thereto and dated the Closing Date or an earlier date satisfactory to Lender):

(a) Agreement. This Agreement.

(b) Notes. Notes in favor of Lender representing the Loans.

(c) Collateral Documents. The Guarantee and Collateral Agreement, all other Collateral Documents, and all instruments, documents, certificates and agreements executed or delivered pursuant thereto (including intellectual property assignments and pledged Collateral, with undated irrevocable transfer powers executed in blank).

(d) Financing Statements. Properly completed Uniform Commercial Code financing statements and other filings and documents required by law or the Loan Documents to provide Lender perfected Liens (subject only to Liens permitted pursuant to Section 7.2) in the Collateral.

(e) Lien Searches. Copies of Uniform Commercial Code search reports listing all effective financing statements filed against any Loan Party, with copies of such financing statements.

(f) Mortgages. Mortgages providing Lender perfected Liens (subject only to Liens permitted pursuant to Section 7.2) in the real property Collateral owned by Borrower or

any Subsidiary of Borrower, with ALTA loan title insurance policies issued by insurers reasonably acceptable to Lender, ALTA surveys and such flood and/or earthquake insurance as Lender may reasonably request. Additionally, in the case of any leased real property of Borrower or any Subsidiary of Borrower, a consent, in form and substance satisfactory to Lender, from the **[**owner and/or mortgagee**]** (a) consenting to the Mortgage of the leasehold interest in favor of Lender with respect to such property and (b) waiving any landlord's Lien in respect of personal property kept at the premises subject to such lease.

(g) Collateral Access Agreements. Collateral Access Agreements reasonably requested by Lender with respect to the Collateral.

(h) Payoff; Release. Payoff letters evidencing repayment in full of all Debt to be Repaid, termination of all agreements relating thereto and the release of all Liens granted in connection therewith, with Uniform Commercial Code or other appropriate termination statements and documents effective to evidence the foregoing.

(i) Letter of Direction. A letter of direction containing funds flow information, with respect to the proceeds of the Loans on the Closing Date.

(j) Authorization Documents. For each Loan Party, such Person's (i) charter (or similar formation document), certified by the appropriate governmental authority, (ii) good standing certificates in its state of incorporation (or formation) and in each other state requested by Lender, (iii) bylaws (or similar governing document), (iv) resolutions of its board of directors (or similar governing body) approving and authorizing such Person's execution, delivery and performance of the Loan Documents to which it is party and the transactions contemplated thereby, and (v) signature and incumbency certificates of its officers executing any of the Loan Documents, all certified by its secretary or an assistant secretary (or similar officer) as being in full force and effect without modification.

(k) Insurance. Certificates or other evidence of insurance in effect as required by Section 6.3(b), with endorsements naming Lender as loss payee and/or additional insured, as applicable.

(l) Financials. The financial statements, projections and pro forma balance sheet described in Section 5.4.

(m) Appraisals. Appraisals of Collateral as reasonably requested by Lender, prepared by appraisers reasonably satisfactory to Lender.

(n) Environmental Reports. Environmental site assessment reports reasonably requested by Lender, prepared by environmental engineers reasonably satisfactory to Lender.

(o) Consents. Evidence that all necessary consents, permits and approvals (governmental or otherwise, including pursuant to the Hart-Scott-Rodino Act and all related state anti-trust laws and regulations) required for the execution, delivery and performance by each Loan Party of the Loan Documents and the Related Transactions have been duly obtained and are in full force and effect.

(p) [Availability Certificate. Availability Certificate reflecting required information as of a date not more than 5 days prior to the Closing Date.]

(q) Other Documents. Such other certificates, documents and agreements as Lender may reasonably request.

4.2 All Credit Extensions.

The obligation of Lender to make each Loan is subject to the additional conditions precedent that (unless such conditions are waived by Lender), both before and after giving effect to any borrowing, (a) the representations and warranties of Borrower and each other Loan Party set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects with the same effect as if then made (except to the extent stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct as of such earlier date) and (b) no Event of Default or Default shall have then occurred and be continuing. Each request by Borrower for the making of a Loan shall be deemed to constitute a representation and warranty by Borrower that the conditions precedent set forth in Section 4.2 will be satisfied at the time of the making of such Loan.

Section 5. Representations and Warranties.

To induce Lender to enter into this Agreement and to induce Lender to make Loans hereunder, Borrower represents and warrants to Lender that, both before and after giving effect to the Related Transactions:

5.1 Organization.

Borrower is a corporation validly existing and in good standing under the laws of the State of **[__________];** each other Loan Party is validly existing and in good standing under the laws of the jurisdiction of its organization; and each Loan Party is duly qualified to do business in each jurisdiction where, because of the nature of its activities or properties, such qualification is required, except for such jurisdictions where the failure to so qualify could not reasonably be expected to have a Material Adverse Effect.

5.2 Authorization; No Conflict.

Each of Borrower and each other Loan Party is duly authorized to execute and deliver each Loan Document and each Related Agreement to which it is a party, Borrower is duly authorized to borrow monies hereunder, and each of Borrower and each other Loan Party is duly authorized to perform its Obligations under each Loan Document to which it is a party. The execution, delivery and performance by Borrower of this Agreement and by each of Borrower and each other Loan Party of each Loan Document to which it is a party, and the borrowings by Borrower hereunder, do not and will not (a) require any consent or approval of any governmental agency or authority (other than any consent or approval which has been obtained and is in full force and effect), (b) conflict with (i) any provision of applicable law, (ii) the charter, by-laws or other organizational documents of Borrower or any other Loan Party or (iii) any agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon Borrower or any other Loan Party or any of their respective properties or (c) require, or

result in, the creation or imposition of any Lien on any asset of Borrower, any Subsidiary or any other Loan Party (other than Liens in favor of Lender created pursuant to the Collateral Documents).

5.3 Validity; Binding Nature.

Each of this Agreement and each other Loan Document to which Borrower or any other Loan Party is a party is the legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

5.4 Financial Condition.

(a) The audited consolidated financial statements of Borrower and the Subsidiaries as at its Fiscal Years ending **[__________]** (the "Balance Sheet Date") and **[__________]**, and the unaudited consolidated financial statements of Borrower and the Subsidiaries as at **[__________]**, copies of each of which have been delivered pursuant hereto, were prepared in accordance with GAAP (subject, in the case of such unaudited statements, to the absence of footnotes and to normal year-end adjustments) and present fairly the consolidated financial condition of such Persons as at such dates and the results of their operations for the periods then ended.

(b) The consolidated financial projections (including an operating budget and a cash flow budget) of Borrower and the Subsidiaries for the **[___]** year period commencing **[**___, 2006**]** delivered to Lender on or prior to the Closing Date (i) were prepared by Borrower in good faith and (ii) were prepared in accordance with assumptions for which Borrower has a reasonable basis, and the accompanying consolidated pro forma balance sheet of Borrower and the Subsidiaries as at the Closing Date, adjusted to give effect to the consummation of the Related Transactions and the financings contemplated hereby as if such transactions had occurred on such date, is consistent in all material respects with such projections.

5.5 No Material Adverse Change.

Since the Balance Sheet Date, there has been no material adverse change in the financial condition, operations, assets, business, properties or prospects of the Loan Parties taken as a whole.

5.6 Litigation.

No litigation (including derivative actions), arbitration proceeding or governmental investigation or proceeding is pending or, to Borrower's knowledge, threatened against any Loan Party which could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, except as set forth in Schedule 5.6. As of the Closing Date, other than any liability incident to such litigation or proceedings, neither Borrower nor any other Loan Party has any material Contingent Obligations not listed on Schedule 7.1.

5.7 Ownership of Properties; Liens.

Each of Borrower and each other Loan Party owns good and, in the case of real property, marketable title to all of its properties and assets, real and personal, tangible and intangible, of any nature whatsoever (including patents, trademarks, trade names, service marks and copyrights), free and clear of all Liens, charges and claims (including infringement claims with respect to patents, trademarks, service marks, copyrights and the like), except as permitted by Section 7.2.

5.8 Capitalization.

All issued and outstanding equity securities of Borrower and the other Loan Parties are duly authorized and validly issued, fully paid, non-assessable, and free and clear of all Liens other than those in favor of Lender, and such securities were issued in compliance with all applicable state and federal laws concerning the issuance of securities. Schedule 5.8 sets forth the authorized equity securities of each Loan Party as of the Closing Date. All of the issued and outstanding equity of Holdings is owned as set forth on Schedule 5.8 as of the Closing Date, all of the issued and outstanding equity of Borrower is owned by Holdings, and all of the issued and outstanding equity of each Subsidiary is, directly or indirectly, owned by Borrower. As of the Closing Date, except as set forth on Schedule 5.8, there are no pre-emptive or other outstanding rights, options, warrants, conversion rights or other similar agreements or understandings for the purchase or acquisition of any equity interests of Borrower or any other Loan Party.

5.9 Pension Plans.

During the twelve-consecutive-month period prior to the Closing Date or the making of any Loan, (i) no steps have been taken to terminate any Pension Plan and (ii) no contribution failure has occurred with respect to any Pension Plan sufficient to give rise to a Lien under Section 302(f) of ERISA. No condition exists or event or transaction has occurred with respect to any Pension Plan which could result in the incurrence by Borrower or any other Loan Party of any material liability, fine or penalty. All contributions (if any) have been made to any Multiemployer Pension Plan that are required to be made by any Loan Party or any other member of the Controlled Group under the terms of the plan or of any collective bargaining agreement or by applicable law; neither any Loan Party nor any member of the Controlled Group has withdrawn or partially withdrawn from any Multiemployer Pension Plan, incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan, and no condition has occurred which, if continued, could result in a withdrawal or partial withdrawal from any such plan, and neither any Loan Party nor any member of the Controlled Group has received any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the IRC, that any such plan is or may be terminated, or that any such plan is or may become insolvent.

5.10 Investment Company Act.

Neither Borrower nor any other Loan Party is an "investment company" within the meaning of the Investment Company Act of 1940.

5.11 Public Utility Holding Company Act.

Neither Borrower nor any other Loan Party is a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company", within the meaning of the Public Utility Holding Company Act of 1935.

5.12 Margin Stock.

Neither Borrower nor any other Loan Party is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock. No portion of the Obligations is secured directly or indirectly by Margin Stock.

5.13 Taxes.

Each of Borrower and each other Loan Party has filed all tax returns and reports required by law to have been filed by it and has paid all taxes and governmental charges thereby shown to be owing, except any such taxes or charges which are being diligently contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books.

5.14 Solvency.

On the Closing Date, and immediately prior to and after giving effect to each borrowing hereunder and the use of the proceeds thereof, with respect to each of Borrower and each other Loan Party, individually, (a) the fair value of its assets is greater than the amount of its liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated, (b) the present fair saleable value of its assets is not less than the amount that will be required to pay the probable liability on its debts as they become absolute and matured, (c) it is able to realize upon its assets and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business, (d) it does not intend to, and does not believe that it will, incur debts or liabilities beyond its ability to pay as such debts and liabilities mature and (e) it is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which its property would constitute unreasonably small capital.

5.15 Environmental Matters.

The on-going operations of Borrower and each other Loan Party comply in all respects with all Environmental Laws, except such non-compliance which could not (if enforced in accordance with applicable law) reasonably be expected to result in a Material Adverse Effect. Borrower and each other Loan Party have obtained, and maintained in good standing, all licenses, permits, authorizations and registrations required under any Environmental Law and

necessary for their respective ordinary course operations, and Borrower and each other Loan Party are in compliance with all material terms and conditions thereof, except where the failure to do so could not reasonably be expected to result in material liability to Borrower or any other Loan Party and could not reasonably be expected to result in a Material Adverse Effect. None of Borrower, any other Loan Party or any of their respective properties or operations is subject to any outstanding written order from or agreement with any Federal, state or local governmental authority, nor subject to any judicial or docketed administrative proceeding, respecting any Environmental Law, Environmental Claim or Hazardous Substance. There are no Hazardous Substances or other conditions or circumstances existing with respect to any property, or arising from operations prior to the Closing Date, of Borrower or any other Loan Party that could reasonably be expected to result in a Material Adverse Effect. Neither Borrower nor any other Loan Party has any underground storage tanks that are not properly registered or permitted under applicable Environmental Laws or that are leaking or disposing of Hazardous Substances.

5.16 Insurance.

Borrower and each other Loan Party and their respective properties are insured with financially sound and reputable insurance companies which are not Affiliates of Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where Borrower or such other Loan Party operates. A true and complete listing of such insurance as of the Closing Date, including issuers, coverages and deductibles, is set forth on Schedule 5.16.

5.17 Information.

All information heretofore or contemporaneously herewith furnished in writing by Borrower or any other Loan Party to Lender for purposes of or in connection with this Agreement and the transactions contemplated hereby is, and all written information hereafter furnished by or on behalf of Borrower or any Loan Party to Lender pursuant hereto or in connection herewith will be, true and accurate in every material respect on the date as of which such information is dated or certified, and none of such information is or will be incomplete by omitting to state any material fact necessary to make such information not misleading in light of the circumstances under which made (it being recognized by Lender that any projections and forecasts provided by Borrower are based on good faith estimates and assumptions believed by Borrower to be reasonable as of the date of the applicable projections or assumptions and that actual results during the period or periods covered by any such projections and forecasts may differ from projected or forecasted results).

5.18 Intellectual Property.

Borrower and each other Loan Party owns and possesses or has a license or other right to use all patents, patent rights, trademarks, trademark rights, trade names, trade name rights, service marks, service mark rights and copyrights as are necessary for the conduct of the business of Borrower and the other Loan Parties, without any infringement upon rights of others which could reasonably be expected to have a Material Adverse Effect.

5.19 Restrictive Provisions.

Neither Borrower nor any other Loan Party is a party to any agreement or contract or subject to any restriction contained in its operative documents which could reasonably be expected to have a Material Adverse Effect.

5.20 Labor Matters.

Except as set forth on Schedule 5.20, neither Borrower nor any other Loan Party is subject to any labor or collective bargaining agreement. There are no existing or threatened strikes, lockouts or other labor disputes involving Borrower or any other Loan Party that singly or in the aggregate could reasonably be expected to have a Material Adverse Effect. Hours worked by and payment made to employees of Borrower and the other Loan Parties are not in any material respect in violation of the Fair Labor Standards Act or any other applicable law, rule or regulation dealing with such matters.

5.21 No Default.

No Event of Default or Default exists or would result from the incurrence by any Loan Party of any Debt hereunder or under any other Loan Document.

Section 6. Affirmative Covenants.

Until the expiration or termination of the Commitments and thereafter until all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) of Borrower and the other Loan Parties hereunder and under the other Loan Documents are Paid in Full, Borrower agrees that, unless at any time Lender shall otherwise expressly consent in writing, it will:

6.1 Information.

Furnish to Lender:

6.1.1 Annual Report. —

Promptly when available and in any event within 90 days after the close of each Fiscal Year: (a) a copy of the annual audit report of Holdings, Borrower and the Subsidiaries for such Fiscal Year, including therein a consolidated balance sheet and statement of earnings and cash flows of Holdings, Borrower and the Subsidiaries as at the end of such Fiscal Year, certified without qualification (except for qualifications relating to changes in accounting principles or practices reflecting changes in generally accepted principles of accounting and required or approved by Borrower’s independent certified public accountants) by independent auditors of recognized standing selected by Borrower and reasonably acceptable to Lender; and (b) a consolidating balance sheet of Holdings, Borrower and the Subsidiaries as of the end of such Fiscal Year and consolidating statements of earnings and cash flows for Holdings, Borrower and the Subsidiaries for such Fiscal Year, together with a comparison of actual results for such Fiscal Year with the budget for such Fiscal Year, each certified by the chief financial officer of Borrower.

6.1.2 Interim Reports.

Promptly when available and in any event within 30 days after the end of each month, (i) consolidated and consolidating balance sheets of Holdings, Borrower and the Subsidiaries as of the end of such month, together with consolidated and consolidating statements of earnings and a consolidated and consolidating statement of cash flows for such month and for the period beginning with the first day of such Fiscal Year and ending on the last day of such month, together with a comparison with the corresponding period of the previous Fiscal Year and a comparison with the budget for such period of the current Fiscal Year, certified by the chief financial officer of Borrower, and (ii) a written statement of Borrower's management setting forth a discussion of Borrower's financial condition, changes in financial condition and results of operations.

6.1.3 Compliance Certificate.

Contemporaneously with the furnishing of a copy of each annual audit report pursuant to Section 6.1.1 and each set of interim reports issued at the end of each Fiscal Quarter pursuant to Section 6.1.2 a duly completed Compliance Certificate, with appropriate insertions, dated the date of such annual report or such quarterly statements, and signed by the chief financial officer of Borrower, containing a computation of the financial ratios and restrictions set forth in Section 7.14 and to the effect that such officer has not become aware of any Event of Default or Default that has occurred and is continuing or, if there is any such event, describing it and the steps, if any, being taken to cure it

6.1.4 Notice of Default; Litigation; ERISA Matters.

Promptly upon becoming aware of any of the following, written notice describing the same and the steps being taken by Borrower or the applicable Loan Party affected thereby with respect thereto:

(a) the occurrence of an Event of Default or a Default;

(b) any litigation, arbitration or governmental investigation or proceeding not previously disclosed by Borrower to Lender which has been instituted or, to the knowledge of Borrower, is threatened against Borrower or any other Loan Party or to which any of the properties of any thereof is subject which could reasonably be expected to have a Material Adverse Effect;

(c) the institution of any steps by any member of the Controlled Group or any other Person to terminate any Pension Plan, or the failure of any member of the Controlled Group to make a required contribution to any Pension Plan (if such failure is sufficient to give rise to a Lien under Section 302(f) of ERISA) or to any Multiemployer Pension Plan, or the taking of any action with respect to a Pension Plan which could result in the requirement that Borrower or any other Loan Party furnish a bond or other security to the PBGC or such Pension Plan, or the occurrence of any event with respect to any Pension Plan or Multiemployer Pension Plan which could result in the incurrence by any member of the Controlled Group of any material liability, fine or penalty (including any claim or demand for withdrawal liability or partial withdrawal from any Multiemployer Pension Plan), or any material increase in the

contingent liability of Borrower or any other Loan Party with respect to any post-retirement welfare plan benefit, or any notice that any Multiemployer Pension Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of an excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the IRC, that any such plan is or may be terminated, or that any such plan is or may become insolvent;

(d) any cancellation or material change in any insurance maintained by Borrower or any other Loan Party; or

(e) any other event (including (i) any violation of any Environmental Law or the assertion of any Environmental Claim or (ii) the enactment or effectiveness of any law, rule or regulation) which could reasonably be expected to have a Material Adverse Effect.

6.1.5 Management Report.

Promptly upon receipt thereof, copies of all detailed financial and management reports submitted to Borrower or any other Loan Party by independent auditors in connection with each annual or interim audit made by such auditors of the books of Borrower or any other Loan Party.

6.1.6 [Reserved].

6.1.7 Non-Senior Debt Notices.

Promptly following receipt, copies of any notices (including notices of default or acceleration) received from any holder or trustee of, under or with respect to any Non-Senior Debt.

6.1.8 Other Information.

Promptly from time to time, such other information concerning Borrower and any other Loan Party as Lender may reasonably request.

6.1.9 [Availability Certificate.

Within 10 days of the end of each month, an Availability Certificate dated as of the end of the most recently ended month and executed by the chief financial officer of Borrower on behalf of Borrower; provided that at any time an Event of Default exists, Lender may require Borrower to deliver Availability Certificates more frequently.]

6.2 Books; Records; Inspections.

Keep, and cause each other Loan Party to keep, its books and records in accordance with sound business practices sufficient to allow the preparation of financial statements in accordance with GAAP; permit, and cause each other Loan Party to permit, Lender or any representative thereof to inspect the properties and operations of Borrower or such other Loan Party; and permit, and cause each other Loan Party to permit, at any reasonable time and

with reasonable notice (or at any time without notice if an Event of Default exists), Lender or any representative thereof to visit any or all of its offices, to discuss its financial matters with its officers and its independent auditors (and Borrower hereby authorizes such independent auditors to discuss such financial matters with Lender or any representative thereof), and to examine (and, at the expense of Borrower or the applicable Loan Party, photocopy extracts from) any of its books or other records; and permit, and cause each other Loan Party to permit, Lender and its representatives to inspect the Collateral and other tangible assets of Borrower or such Loan Party, to perform appraisals of the equipment of Borrower or such Party, and to inspect, audit, check and make copies of and extracts from the books, records, computer data, computer programs, journals, orders, receipts, correspondence and other data relating to any Collateral. All such inspections or audits by Lender shall be at Borrower's expense, provided that so long as no Event of Default or Default exists, Borrower shall not be required to reimburse Lender for appraisals more frequently than once each Fiscal Year.

6.3 Maintenance of Property; Insurance.

(a) Keep, and cause each other Loan Party to keep, all property useful and necessary in the business of Borrower or such other Loan Party in good working order and condition, ordinary wear and tear excepted.

(b) Maintain, and cause each other Loan Party to maintain, with responsible insurance companies, such insurance coverage as shall be required by all laws, governmental regulations and court decrees and orders applicable to it and such other insurance, to such extent and against such hazards and liabilities, as is customarily maintained by companies similarly situated; provided that in any event, such insurance shall insure against all risks and liabilities of the type insured against as of the Closing Date and shall have insured amounts no less than, and deductibles no higher than, those amounts provided for as of the Closing Date. Upon request of Lender, Borrower shall furnish to Lender a certificate setting forth in reasonable detail the nature and extent of all insurance maintained by Borrower and each other Loan Party. Borrower shall cause each issuer of an insurance policy to provide Lender with an endorsement (i) showing Lender as a loss payee with respect to each policy of property or casualty insurance and naming Lender as an additional insured with respect to each policy of liability insurance, (ii) providing that 30 days' notice will be given to Lender prior to any cancellation of, or reduction or change in coverage provided by or other material modification to such policy and (iii) reasonably acceptable in all other respects to Lender. Borrower shall execute and deliver to Lender a collateral assignment, in form and substance satisfactory to Lender, of each business interruption insurance policy maintained by the Loan Parties.

(c) Unless Borrower provides Lender with evidence of the continuing insurance coverage required by this Agreement, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the Collateral. This insurance may, but need not, protect Borrower's and each other Loan Party's interests. The coverage that Lender purchases may, but need not, pay any claim that is made against Borrower or any other Loan Party in connection with the Collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained the insurance coverage required by this Agreement. If Lender purchases insurance for the Collateral, as set forth above, Borrower will be responsible for the costs of that insurance, including interest and any other charges that

may be imposed with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance and the costs of the insurance may be added to the principal amount of the Loans owing hereunder.

6.4 Compliance with Laws; Payment of Taxes and Liabilities.

Comply, and cause each other Loan Party to comply, in all material respects with all applicable laws, rules, regulations, decrees, orders, judgments, licenses and permits, except where failure to comply could not reasonably be expected to have a Material Adverse Effect; (b) without limiting clause (a) above, ensure, and cause each other Loan Party to ensure, that no person who owns a controlling interest in or otherwise controls a Loan Party is or shall be (i) listed on the Specially Designated Nationals and Blocked Person List maintained by the Office of Foreign Assets Control ("OFAC"), Department of the Treasury, and/or any other similar lists maintained by OFAC pursuant to any authorizing statute, Executive Order or regulation or (ii) a person designated under Section 1(b), (c) or (d) or Executive Order No. 13224 (September 23, 2001), any related enabling legislation or any other similar Executive Orders; (c) without limiting clause (a) above, comply and cause each other Loan Party to comply, with all applicable Bank Secrecy Act and anti-money laundering laws and regulations and (d) pay, and cause each other Loan Party to pay, prior to delinquency, all taxes and other governmental charges against it or any of its property, as well as claims of any kind which, if unpaid, could become a Lien on any of its property; provided that the foregoing shall not require Borrower or any other Loan Party to pay any such tax or charge so long as it shall contest the validity thereof in good faith by appropriate proceedings and shall set aside on its books adequate reserves with respect thereto in accordance with GAAP.

6.5 Maintenance of Existence.

Maintain and preserve, and (subject to Section 7.5) cause each other Loan Party to maintain and preserve, (a) its existence and good standing in the jurisdiction of its organization and (b) its qualification to do business and good standing in each jurisdiction where the nature of its business makes such qualification necessary, other than any such jurisdiction where the failure to be qualified or in good standing could not reasonably be expected to have a Material Adverse Effect.

6.6 Employee Benefit Plans.

Maintain, and cause each other Loan Party to maintain, each Pension Plan in substantial compliance with all applicable requirements of law and regulations.

6.7 Environmental Matters.

If any release or disposal of Hazardous Substances shall occur or shall have occurred on any real property or any other assets of Borrower or any other Loan Party, cause, or direct the applicable Loan Party to cause, the prompt containment and removal of such Hazardous Substances and the remediation of such real property or other assets as is necessary to comply with all Environmental Laws and to preserve the value of such real property or other assets. Without limiting the generality of the foregoing, Borrower shall, and shall cause each other Loan Party to, comply with each valid Federal or state judicial or administrative order

requiring the performance at any real property by Borrower or any other Loan Party of activities in response to the release or threatened release of a Hazardous Substance.

6.8 Further Assurances.

Take, and cause each other Loan Party to take, such actions as are necessary or as Lender may reasonably request from time to time to ensure that the Obligations of Borrower and each other Loan Party under the Loan Documents are secured by substantially all of the assets of Borrower and each Loan Party (as well as all equity interests of Borrower and each Subsidiary) and guaranteed by each Loan Party (including, promptly upon the acquisition or creation thereof, any Subsidiary acquired or created after the Closing Date), in each case including (a) the execution and delivery of guaranties, security agreements, pledge agreements, mortgages, deeds of trust, financing statements and other documents, and the filing or recording of any of the foregoing and (b) the delivery of certificated securities and other Collateral with respect to which perfection is obtained by possession.

Section 7. Negative Covenants.

Until the expiration or termination of the Commitments and thereafter until all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) of Borrower and the other Loan Parties hereunder and under the other Loan Documents are Paid in Full, Borrower agrees that, unless at any time Lender shall otherwise expressly consent in writing, it will:

7.1 Debt.

Not, and not permit any other Loan Party to, create, incur, assume or suffer to exist any Debt, except:

(a) Obligations under this Agreement and the other Loan Documents;

(b) Debt secured by Liens permitted by Section 7.2(d), and extensions, renewals and refinancings thereof; provided that the aggregate amount of all such Debt at any time outstanding shall not exceed $250,000;

(c) Debt of Borrower to any domestic Wholly-Owned Subsidiary or Debt of any domestic Wholly-Owned Subsidiary to Borrower or another domestic Wholly-Owned Subsidiary; provided that such Debt shall be evidenced by a demand note in form and substance reasonably satisfactory to Lender and pledged and delivered to Lender pursuant to the Guarantee and Collateral Agreement as additional collateral security for the Obligations, and the obligations under such demand note shall be subordinated to the Obligations hereunder in a manner reasonably satisfactory to Lender;

(d) Debt described on Schedule 7.1 as of the Closing Date, and any extension, renewal or refinancing thereof so long as the principal amount thereof is not increased;

(e) an aggregate outstanding amount of unsecured Non-Senior Debt not at any time exceeding $200,000 (exclusive of Debt permitted under Section 7.1(c));

(f) Contingent Obligations arising with respect to customary indemnification obligations in favor of purchasers in connection with Dispositions permitted under Section 7.5;

(g) [the U. S. Bank Letter of Credit Obligations[4]];

(h) other Debt, in addition to the Debt listed above, in an aggregate outstanding amount not at any time exceeding $100,000.

7.2 Liens.

Not, and not permit any other Loan Party to, create or permit to exist any Lien on any of its real or personal properties, assets or rights of whatsoever nature (whether now owned or hereafter acquired), except:

(a) Liens for taxes or other governmental charges not at the time delinquent or thereafter payable without penalty or being diligently contested in good faith by appropriate proceedings and, in each case, for which it maintains adequate reserves in accordance with GAAP and the execution or other enforcement of which is effectively stayed;

(b) Liens arising in the ordinary course of business (such as (i) Liens of carriers, warehousemen, mechanics, landlords and materialmen and other similar Liens imposed by law and (ii) Liens incurred in connection with worker's compensation, unemployment compensation and other types of social security (excluding Liens arising under ERISA) or in connection with surety bonds, bids, performance bonds and similar obligations) for sums not overdue or being diligently contested in good faith by appropriate proceedings and not involving any deposits or advances or borrowed money or the deferred purchase price of property or services and, in each case, for which it maintains adequate reserves in accordance with GAAP and the execution or other enforcement of which is effectively stayed;

(c) Liens described on Schedule 7.2 as of the Closing Date;

(d) subject to the limitation set forth in Section 7.1(b), (i) Liens arising in connection with Capital Leases (and attaching only to the property being leased), (ii) Liens existing on property at the time of the acquisition thereof by Borrower or any Subsidiary (and not created in contemplation of such acquisition) and (iii) Liens that constitute purchase money security interests on any property securing debt incurred for the purpose of financing all or any part of the cost of acquiring such property, provided that any such Lien attaches to such property within 60 days of the acquisition thereof and attaches solely to the property so acquired;

(e) attachments, appeal bonds, judgments and other similar Liens, for sums not exceeding $100,000 arising in connection with court proceedings; provided that the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are being actively contested in good faith and by appropriate proceedings;

---

4 Note: Applicable only to the CBS Personnel Credit Agreement; capitalized term to be defined]

(f) easements, rights of way, restrictions, minor defects or irregularities in title and other similar Liens not interfering in any material respect with the ordinary conduct of the business of Borrower or any Subsidiary;

(g) Liens arising under the Loan Documents;

(h) [Liens on Accounts and securing the Indebtedness permitted under Section 7.1(g);] and

(i) the replacement, extension or renewal of any Lien permitted by clause (c) above upon or in the same property subject thereto arising out of the extension, renewal or replacement of the Debt secured thereby (without increase in the amount thereof).

7.3 Operating Leases.

Not permit the aggregate amount of all rental payments under Operating Leases made (or scheduled to be made) by Borrower and the Subsidiaries (on a consolidated basis) to exceed **[$__________]** in any Fiscal Year.

7.4 Restricted Payments.

Not, and not permit any other Loan Party to, (a) make any dividend or other distribution to any of its equity holders, (b) purchase or redeem any of its equity interests or any warrants, options or other rights in respect thereof, (c) except for payments to Manager and **[__________]**, pay any management fees or similar fees to any of its equity holders or any Affiliate thereof, (d) make any redemption, prepayment (whether mandatory or optional), defeasance, repurchase or any other payment in respect of any Non-Senior Debt or (e) set aside funds for any of the foregoing. Notwithstanding the foregoing, (i) any Subsidiary may pay dividends or make other distributions to Borrower or to a domestic Wholly-Owned Subsidiary; (ii) so long as no Event of Default exists or would result therefrom, Borrower may make distributions to Holdings to permit Holdings to pay federal and state income taxes then due and owing by Holdings (or its equity holders), so long as the amount of such distributions shall not be greater, nor the receipt by Borrower of tax benefits less, than they would have been had Borrower not filed consolidated income tax returns with such Person; (iii) in each case to the extent due and payable on a non-accelerated basis and permitted under any applicable subordination provisions thereof, Borrower may make regularly scheduled payments of interest in respect of Non-Senior Debt; (iv) any Loan Party may make repurchases of capital stock deemed to occur upon the exercise of options or warrants (i.e., a cashless exercise); and (v) any Loan Party may repurchase or redeem capital stock from any former officers, directors and employees (or their estates, spouses or former spouses) of any Loan Party in connection with the termination of such Person's employment (or such directors' directorship) with the Loan Party; provided that, in connection with such transactions, the total cash payments under this Section shall not exceed **[$__________]** in the aggregate during any Fiscal Year; provided, further, that all Term B Loans shall be paid in accordance with the terms of this Agreement and any restriction imposed on Non-Senior Debt by this Section 7.4 shall not apply to the Term B Loans.

7.5 Mergers; Consolidations; Asset Sales.

(a) Not, and not permit any other Loan Party to, be a party to any merger or consolidation, except for any such merger or consolidation of any Subsidiary into Borrower or any domestic Wholly-Owned Subsidiary.

(b) Not, and not permit any other Loan Party to, sell, transfer, dispose of, convey or lease any of its assets or equity interests, or sell or assign with or without recourse any receivables, except for (i) sales of Inventory in the ordinary course of business and (ii) sales and dispositions of assets (excluding any equity interests of Borrower or any Subsidiary) for at least fair market value (as determined by the Board of Directors of Borrower) so long as the net book value of all assets sold or otherwise disposed of in any Fiscal Year does not exceed 10% of the net book value of the consolidated assets of Borrower and the Subsidiaries as of the last day of the preceding Fiscal Year.

7.6 Modification of Organizational Documents.

Not permit the charter, by-laws or other organizational documents of Borrower or any other Loan Party to be amended or modified in any way which could reasonably be expected to materially adversely affect the interests of Lender.

7.7 Use of Proceeds.

Use the proceeds of the Loans solely to prepay or repay the Debt to be Repaid, for working capital, for Capital Expenditures and for other general business purposes of Borrower and the Subsidiaries [and to redeem common stock and terminate stock options of CBS Personnel Holdings, Inc. on the Closing Date pursuant to the Related Transactions]; and not use or permit any proceeds of any Loan to be used, either directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of "purchasing or carrying" any Margin Stock.

7.8 Transactions with Affiliates.

Not, and not permit any other Loan Party to, enter into, or cause, suffer or permit to exist any transaction, arrangement or contract with any of its other Affiliates, which is on terms which are less favorable than are obtainable from any Person which is not one of its Affiliates.

7.9 Inconsistent Agreements.

Not, and not permit any other Loan Party to, enter into any agreement containing any provision which would (a) be violated or breached by any borrowing by Borrower hereunder or by the performance by Borrower or any other Loan Party of any of its Obligations hereunder or under any other Loan Document, (b) prohibit Borrower or any other Loan Party from granting to Lender a Lien on any of its assets or (c) create or permit to exist or become effective any encumbrance or restriction on the ability of any other Loan Party to (i) pay dividends or make other distributions to Borrower or any other Subsidiary, or pay any Debt owed to Borrower or any other Subsidiary, (ii) make loans or advances to Borrower or any other Loan Party or (iii) transfer any of its assets or properties to Borrower or any other Loan Party other than

(A) customary restrictions and conditions contained in agreements relating to the sale of all or a substantial part of the capital stock or assets of any Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary to be sold and such sale is permitted hereunder (B) restrictions or conditions imposed by any agreement relating to purchase money Debt, Capital Leases and other secured Debt permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Debt and (C) customary provisions in leases and other contracts restricting the assignment thereof.

7.10 Business Activities.

Not, and not permit any other Loan Party to, engage in any line of business other than the businesses engaged in on the Closing Date and businesses reasonably related thereto. Not, and not permit any other Loan Party to, issue any equity interest other than (a) any issuance of shares of Holdings' common equity securities pursuant to any employee or director option or stock purchase program, benefit plan or compensation program, or (b) any issuance by a Subsidiary to Borrower or another Subsidiary in accordance with Section 7.4.

7.11 Investments.

Not, and not permit any other Loan Party to, make or permit to exist any Investment in any other Person or create or establish any Subsidiary (other than any Subsidiary formed in compliance with Section 7.16), except the following:

(a) contributions by Borrower to the capital of any Wholly-Owned Subsidiary in existence on the Closing Date that is also a Domestic Subsidiary, or by any Subsidiary to the capital of any other Wholly-Owned Subsidiary in existence on the Closing Date that is also a Domestic Subsidiary, so long as the recipient of any such capital contribution has guaranteed the Obligations and such guaranty is secured by a pledge of all of its equity interests and substantially all of its real and personal property, in each case in accordance with Section 6.8;

(b) Investments constituting Debt permitted by Section 7.1(c);

(c) Contingent Obligations constituting Debt permitted by Section 7.1 or Liens permitted by Section 7.2;

(d) Cash Equivalent Investments;

(e) bank deposits in the ordinary course of business;

(f) Investments in securities of Account Debtors received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such Account Debtors;

(g) Investments listed on Schedule 7.11 as of the Closing Date; and

(h) any purchase or other acquisition by Borrower or any Wholly-Owned Subsidiary that is also a Domestic Subsidiary of the assets or equity interests of any Domestic Subsidiary.

7.12 Restriction of Amendments to Certain Documents.

Not amend or otherwise modify, or waive any rights under (a) any Related Agreement, other than immaterial amendments, modifications and waivers not adverse to the interests of Lender or (b) any provisions of any Non-Senior Debt (other than Term B Loans, which amendment, modification or waiver of rights shall be governed by this Agreement).

7.13 Fiscal Year.

Not change its Fiscal Year.

7.14 Financial Covenants.[1]

7.14.1 Fixed Charge Coverage Ratio.

Not permit the Fixed Charge Coverage Ratio for any Computation Period to be less than the applicable ratio set forth below for such Computation Period:

Computation Period Ending		Fixed Charge Coverage Ratio
	[dates and levels to come]	

7.14.2 Senior Debt to EBITDA Ratio.

Not permit the Senior Debt to EBITDA Ratio as of the last day of any Computation Period to exceed the applicable ratio set forth below for such Computation Period:

Computation Period Ending		Senior Debt to EBITDA Ratio
	[dates and levels to come]	

7.14.3 Total Debt to EBITDA Ratio.

Not permit the Total Debt to EBITDA Ratio as of the last day of any Computation Period to exceed the applicable ratio set forth below for such Computation Period:

Computation Period Ending		Total Debt to EBITDA Ratio
	[dates and levels to come]	

1 Note: One or more of these financial covenants will be included in each of the Credit Agreements.

7.14.4 Capital Expenditures.

Not permit the aggregate amount of all Capital Expenditures made by Borrower and the Subsidiaries in any Fiscal Year to exceed the applicable amount set forth below for such Fiscal Year:

Fiscal Year	Capital Expenditures

[dates and levels to come]

If Borrower does not utilize the entire amount of Capital Expenditures permitted in any Fiscal Year, so long as no Default or Event of Default exists or would be caused thereby, Borrower may carry forward to the immediately succeeding Fiscal Year only, 50% of such un-utilized amount (with Capital Expenditures made by Borrower in such succeeding Fiscal Year applied last to such unutilized amount).

7.15 Bank Accounts.

Not, and not permit any other Loan Party, to maintain or establish any new bank accounts other than the bank accounts set forth on Schedule 7.15 without prior written notice to Lender and unless Lender, Borrower or such other Loan Party and the bank at which the account is to be opened enter into a tri-party agreement regarding such bank account pursuant to which such bank acknowledges the security interest and control of Lender in such bank account and agrees to limit its set-off rights on terms satisfactory to Lender and otherwise acceptable to Lender.

7.16 Subsidiaries.

Not, and not permit any other Loan Party, to establish or acquire any Subsidiary unless the Loan Parties shall have caused such new Subsidiary to take all actions pursuant to Section 6.8 hereof with respect to such Subsidiary and such other actions as reasonably requested by Lender, including (a) execution by such Subsidiary of a joinder to the Guarantee and Collateral Agreement, (b) a pledge to Lender of the capital securities of such Subsidiary, (c) such amendments to this Agreement and the other Loan Documents related to the addition of such Subsidiary as may be requested by Lender, and (d) such certificates, resolutions, instruments, copies of filings and notices, and other materials relating to such Subsidiary as Lender may reasonably request.

Section 8. Events of Default; Remedies.

8.1 Events of Default.

Each of the following shall constitute an Event of Default under this Agreement:

8.1.1 Non-Payment of Credit.

Default in the payment when due of the principal of any Loan; or default, and continuance thereof for 2 days, in the payment when due of any interest, fee or other amount payable by any Loan Party hereunder or under any other Loan Document.

8.1.2 Default Under Other Debt.

Any default shall occur and continue until the termination of any applicable cure period under the terms applicable to any other Debt of any Loan Party in an aggregate amount (for all such Debt so affected and including un-drawn committed or available amounts and amounts owing to all creditors under any combined or syndicated credit arrangement) exceeding $250,000 and such default shall (a) consist of the failure to pay such Debt when due, whether by acceleration or otherwise, or (b) accelerate the maturity of such Debt or permit the holder or holders thereof, or any trustee or agent for such holder or holders, to cause such Debt to become due and payable (or require Borrower or any other Loan Party to purchase or redeem such Debt or post cash collateral in respect thereof) prior to its expressed maturity.

8.1.3 Bankruptcy; Insolvency.

Any Loan Party becomes insolvent or generally fails to pay, or admits in writing its inability or refusal to pay, debts as they become due; or any Loan Party applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Loan Party or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Loan Party or for a substantial part of the property of any thereof and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Loan Party, and if such case or proceeding is not commenced by such Loan Party, it is consented to or acquiesced in by such Loan Party, or remains for 60 days un-dismissed; or any Loan Party takes any action to authorize, or in furtherance of, any of the foregoing.

8.1.4 Non-Compliance with Loan Documents.

(a) Failure by Borrower to comply with or to perform any covenant set forth in Sections 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.9, 6.1.6, 6.1.7, 6.3(b) and 6.3(c), 6.5, 6.7 and Section 7; or (b) failure by any Loan Party to comply with or to perform any other provision of this Agreement or any other Loan Document applicable to it (and not constituting an Event of Default under any other provision of this Section 8) and continuance of such failure described in this clause (b) for 30 days.

8.1.5 Representations; Warranties.

Any representation or warranty made by any Loan Party herein or any other Loan Document is breached or is false or misleading in any material respect, or any schedule, certificate, financial statement, report, notice or other writing furnished by any Loan Party to

Lender in connection herewith is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified.

8.1.6 Pension Plans.

Institution of any steps by any Person to terminate a Pension Plan if as a result of such termination any Loan Party or any member of the Controlled Group could be required to make a contribution to such Pension Plan, or could incur a liability or obligation to such Pension Plan, in excess of $100,000; (b) a contribution failure occurs with respect to any Pension Plan sufficient to give rise to a Lien under Section 302(f) of ERISA; or (c) there shall occur any withdrawal or partial withdrawal from a Multiemployer Pension Plan and the withdrawal liability (without unaccrued interest) to Multiemployer Pension Plans as a result of such withdrawal (including any outstanding withdrawal liability that Borrower or any other Loan Party or any member of the Controlled Group have incurred on the date of such withdrawal) exceeds $100,000.

8.1.7 Judgments.

Final judgments which exceed an aggregate of $250,000 shall be rendered against any Loan Party and shall not have been paid, discharged or vacated or had execution thereof stayed pending appeal within 30 days after entry or filing of such judgments.

8.1.8 Invalidity of Collateral Documents.

Any Collateral Document shall cease to be in full force and effect; or any Loan Party (or any Person by, through or on behalf of any Loan Party) shall contest in any manner the validity, binding nature or enforceability of any Collateral Document.

8.1.9 Invalidity of Subordination Provisions.

Any subordination provision in any document or instrument governing Non-Senior Debt, or any subordination provision in any subordination agreement that relates to any Non-Senior Debt or any subordination provision in any guaranty by any Loan Party of any Non-Senior Debt, shall cease to be in full force and effect, or any Person (including the holder of any applicable Non-Senior Debt) shall contest in any manner the validity, binding nature or enforceability of any such provision.

8.1.10 Change of Control.

(a) Manager and its Investment Affiliates shall collectively cease to, directly or indirectly, (i) own and control at least 51% of the outstanding equity interests of Holdings owned by them on the Closing Date (after giving effect to the Related Transactions) or (ii) possess the right to elect (through contract, ownership of voting securities or otherwise) at all times a majority of the board of directors (or similar governing body) of Holdings and to direct the management policies and decisions of Holdings, (b) Holdings shall cease to directly own and control 100% of each class of the outstanding equity interests of Borrower, or (c) a “Change of Control” or other similar event shall occur, as defined in, or under, any documentation evidencing or otherwise relating to any Non-Senior Debt.

8.1.11 Activities of Holdings.

Holdings (i) conducts any business other than its ownership of equity securities of Borrower, or (ii) incurs any Debt or liabilities other than liabilities incidental to the conduct of its business as a holding company.

8.2 Remedies.

If any Event of Default described in Section 8.1.3 shall occur, the Commitments shall immediately terminate and the Loans and all other Obligations shall become immediately due and payable, all without presentment, demand, protest or notice of any kind; and, if any other Event of Default shall occur and be continuing, Lender shall declare the Commitments to be terminated in whole or in part and/or declare all or any part of the Loans and other Obligations to be due and payable, whereupon the Commitments shall immediately terminate (or be reduced, as applicable) and/or the Loans and other Obligations shall become immediately due and payable (in whole or in part, as applicable), all without presentment, demand, protest or notice of any kind. Lender shall promptly advise Borrower of any such declaration, but failure to do so shall not impair the effect of such declaration. Notwithstanding the foregoing, the effect as an Event of Default of any event described in Section 8.1.1 may only be waived by the written concurrence of Lender, and the effect as an Event of Default of any other event described in this Section 8 may be waived by the written concurrence of Lender. Any cash collateral delivered hereunder shall be held by Lender (without liability for interest thereon) and applied to the Obligations and any excess shall be delivered to Borrower or as a court of competent jurisdiction may elect.

Section 9. Miscellaneous.

9.1 Waiver; Amendments.

No delay on the part of Lender in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise by it any right, power or remedy preclude other or further exercise thereof, or the exercise of any other right, power or remedy. No amendment, modification or waiver of, or consent with respect to, any provision of this Agreement, the Notes or any of the other Loan Documents (or any subordination and intercreditor agreement or other subordination provisions relating to any Non-Senior Debt) shall in any event be effective unless the same shall be in writing and approved by Lender, and then any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

9.2 Notices.

Except as otherwise provided in Sections 2.2.2, all notices hereunder shall be in writing (including facsimile transmission) and shall be sent to the applicable party at its address shown on Annex II or at such other address as such party may, by written notice received by the other parties, have designated as its address for such purpose. Notices sent by facsimile transmission shall be deemed to have been given when sent; notices sent by mail shall be deemed to have been given three Business Days after the date when sent by registered or certified mail, postage prepaid; and notices sent by hand delivery or overnight courier service shall be deemed

to have been given when received. For purposes of Sections 2.2.2, Lender shall be entitled to rely on telephonic instructions from any person that Lender in good faith believes is an authorized officer or employee of Borrower, and Borrower shall hold Lender harmless from any loss, cost or expense resulting from any such reliance. Each of Borrower and Lender hereby agree that Lender may, in its discretion, deliver information and notices to such financial institutions as may be a party hereto from time to time using the internet service “Intralinks.”

9.3 Computations.

Unless otherwise specifically provided herein, any accounting term used in this Agreement shall have the meaning customarily given such term in accordance with GAAP, and all financial computations hereunder shall be computed in accordance with GAAP consistently applied. The explicit qualification of terms or computations by the phrase “in accordance with GAAP” shall in no way be construed to limit the foregoing.

9.4 Costs; Expenses.

Borrower agrees to pay on demand all reasonable out-of-pocket costs and expenses of Lender (including Legal Costs) in connection with the preparation, execution, syndication, delivery and administration (including perfection and protection of Collateral) of this Agreement, the other Loan Documents and all other documents provided for herein or delivered or to be delivered hereunder or in connection herewith (including any proposed or actual amendment, supplement or waiver to any Loan Document), and all reasonable out-of-pocket costs and expenses (including Legal Costs) incurred by Lender after an Event of Default in connection with the collection of the Obligations and enforcement of this Agreement, the other Loan Documents or any such other documents. In addition, Borrower agrees to pay, and to save Lender harmless from all liability for, any fees of Borrower’s auditors in connection with any reasonable exercise by Lender of their rights pursuant to Section 6.4. All Obligations provided for in this Section 9.4 shall survive repayment of the Loans, cancellation of the Notes and termination of this Agreement).

9.5 Indemnification by Borrower.

In consideration of the execution and delivery of this Agreement by Lender and the agreement to extend the Commitments provided hereunder, Borrower hereby agrees to indemnify, exonerate and hold Lender, and each of the officers, directors, employees, Affiliates and agents of Lender (each a “Lender Party”) free and harmless from and against any and all actions, causes of action, suits, losses, liabilities, damages and expenses, including Legal Costs (collectively, the “Indemnified Liabilities”), incurred by Lender Parties or any of them as a result of, or arising out of, or relating to (a) any tender offer, merger, purchase of equity interests, purchase of assets (including the Related Transactions) or other similar transaction financed or proposed to be financed in whole or in part, directly or indirectly, with the proceeds of any of the Loans, (b) the use, handling, release, emission, discharge, transportation, storage, treatment or disposal of any Hazardous Substance at any property owned or leased by Borrower or any other Loan Party, (c) any violation of any Environmental Laws with respect to conditions at any property owned or leased by any Loan Party or the operations conducted thereon, (d) the investigation, cleanup or remediation of offsite locations at which any Loan Party or their

respective predecessors are alleged to have directly or indirectly disposed of Hazardous Substances or (e) the execution, delivery, performance or enforcement of this Agreement or any other Loan Document by Lender, except to the extent any such Indemnified Liabilities result from the applicable Lender Party's own gross negligence or willful misconduct as determined by a court of competent jurisdiction. If and to the extent that the foregoing undertaking may be unenforceable for any reason, Borrower hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. All Obligations provided for in this Section 9.5 shall survive repayment of the Loans, cancellation of the Notes, any foreclosure under, or any modification, release or discharge of, any or all of the Collateral Documents and termination of this Agreement.

9.6 Marshaling; Payments Set Aside.

Lender shall be under no obligation to marshal any assets in favor of Borrower or any other Person or against or in payment of any or all of the Obligations. To the extent that Borrower makes a payment or payments to Lender, or Lender enforces its Liens or exercises its rights of set-off, and such payment or payments or the proceeds of such enforcement or set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Lender in its discretion) to be repaid to a trustee, receiver or any other party in connection with any bankruptcy, insolvency or similar proceeding, or otherwise, then to the extent of such recovery, the obligation hereunder or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

9.7 Nonliability of Lender.

The relationship between Borrower on the one hand and Lender on the other hand shall be solely that of borrower and lender. Lender shall have no fiduciary responsibility to Borrower. Lender undertakes no responsibility to Borrower to review or inform Borrower of any matter in connection with any phase of Borrower's business or operations. Execution of this Agreement by Borrower constitutes a full, complete and irrevocable release of any and all claims which Borrower may have at law or in equity in respect of all prior discussions and understandings, oral or written, relating to the subject matter of this Agreement and the other Loan Documents. Lender shall not have any liability with respect to, and Borrower hereby waives, releases and agrees not to sue for, any special, indirect, punitive or consequential damages or liabilities.

9.8 Assignments; Participations.

9.8.1 Assignments.

(a) Lender may at any time assign to one or more Persons (any such Person, an "Assignee") all or any portion of Lender's Loans and Commitments. Borrower shall be entitled to continue to deal solely and directly with Lender in connection with the interests so assigned to an Assignee until Lender shall have received and accepted an effective Assignment Agreement executed, delivered and fully completed by the applicable parties thereto. No assignment may be made to any Person if at the time of such assignment Borrower would be obligated to pay any

greater amount under Section 3 to the Assignee than Borrower is then obligated to pay to the assigning Lender under such Section 3 (and if any assignment is made in violation of the foregoing, Borrower will not be required to pay such greater amounts). Any attempted assignment not made in accordance with this Section 9.8.1 shall be treated as the sale of a participation under Section 9.8.2. Borrower shall be deemed to have granted its consent to any assignment hereunder unless Borrower has expressly objected to such assignment within three Business Days after notice thereof.

(b) From and after the date on which the conditions described above have been met, (i) such Assignee shall be deemed automatically to have become a party hereto and, to the extent that rights and obligations hereunder have been assigned to such Assignee pursuant to such Assignment Agreement, shall have the rights and obligations of a “Lender” hereunder and (ii) the assigning Lender, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, shall be released from its rights (other than its indemnification rights) and obligations hereunder. For the avoidance of doubt, upon Lender’s assignment of any or all of its Loans and/or Commitments to an Assignee, such Assignee shall have all of the rights and obligations of Lender in respect of such assigned Loans and/or Commitments, and shall be deemed to be “Lender” hereunder, as if such Person were an original party hereto. Upon the request of the Assignee (and, as applicable, the assigning Lender) pursuant to an effective Assignment Agreement, Borrower shall execute and deliver to Lender for delivery to the Assignee (and, as applicable, the assigning Lender) a Note in the principal amount of the Assignee’s Pro Rata Share of the Revolving Loan Commitment plus the principal amount of the Assignee’s Term Loans (and, as applicable, a Note in the principal amount of the Pro Rata Share of the Revolving Loan Commitment retained by the assigning Lender plus the principal amount of the Term Loans retained by the assigning Lender). Each such Note shall be dated the effective date of such assignment. Upon receipt by the assigning Lender of such Note, the assigning Lender shall return to Borrower any prior Note held by it.

(c) Lender, acting solely for this purpose as an agent of Borrower, shall maintain at one of its offices in the United States a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of Lender and each Assignee, and the Commitments of, and principal amount of the Loans owing to, Lender and each Assignee pursuant to the terms hereof. The entries in such register shall be conclusive, and Borrower and Lender may treat each Person whose name is recorded therein pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. Such register shall be available for inspection by Borrower, Lender and any Assignee, at any reasonable time upon reasonable prior notice to Lender.

(d) Notwithstanding the foregoing provisions of this Section 9.8.1 or any other provision of this Agreement, Lender may at any time assign all or any portion of its Loans and its Notes (i) as collateral security to a Federal Reserve Bank or, as applicable, to Lender’s trustee for the benefit of its investors (but no such assignment shall release Lender from any of its obligations hereunder) and (ii) to (x) an Affiliate of Lender or (y) an Eligible Institution.

9.8.2 Participations.

Lender may at any time sell to one or more Persons participating interests in its Loans, Commitments or other interests hereunder (any such Person, a "Participant"). In the event of a sale by Lender of a participating interest to a Participant, (a) Lender's obligations hereunder shall remain unchanged for all purposes, (b) Borrower shall continue to deal solely and directly with Lender in connection with Lender's rights and obligations hereunder and (c) all amounts payable by Borrower shall be determined as if Lender had not sold such participation and shall be paid directly to Lender. No Participant shall have any direct or indirect voting rights hereunder. Borrower agrees that if amounts outstanding under this Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in such amounts to the same extent as if the amount of its participating interest were owing directly to it as Lender under this Agreement; provided that such right of set-off shall be subject to the obligation of each Participant to share with Lender, and Lender agrees to share with each Participant, as provided in Section 2.11.4. Borrower also agrees that each Participant shall be entitled to the benefits of Section 3 as if it were a Lender (provided that no Participant shall receive any greater compensation pursuant to Section 3 than would have been paid to Lender if no participation had been sold).

9.9 Confidentiality.

Lender agrees to use commercially reasonable efforts (equivalent to the efforts Lender applies to maintain the confidentiality of its own confidential information) to maintain as confidential all information provided to them by any Loan Party and designated as confidential, except that Lender may disclose such information (a) to Persons employed or engaged by Lender or any of its Affiliates (including collateral managers of Lender) in evaluating, approving, structuring or administering the Loans and the Commitments; (b) to any assignee or participant or potential assignee or participant that has agreed to comply with the covenant contained in this Section 9.9 (and any such assignee or participant or potential assignee or participant may disclose such information to Persons employed or engaged by them as described in clause (a) above); (c) as required or requested by any federal or state regulatory authority or examiner, or any insurance industry association, or as reasonably believed by Lender to be compelled by any court decree, subpoena or legal or administrative order or process; (d) as, on the advice of Lender's counsel, is required by law; (e) in connection with the exercise of any right or remedy under the Loan Documents or in connection with any litigation to which Lender is a party; (f) to any nationally recognized rating agency or investor of Lender that requires access to information about Lender's investment portfolio in connection with ratings issued or investment decisions with respect to Lender; (g) that ceases to be confidential through no fault of Lender; (h) to a Person that is an investor or prospective investor in a Securitization that agrees that its access to information regarding the Borrower and the Loans and Commitments is solely for purposes of evaluating an investment in such Securitization and who agrees to treat such information as confidential; or (i) to a Person that is a trustee, collateral manager, servicer, noteholder or secured party in a Securitization in connection with the administration, servicing and reporting on the assets serving as collateral for such Securitization. For purposes of this Section, "Securitization" means a public or private offering by Lender or any of its Affiliates or their respective successors and assigns, of securities which represent an interest in, or which are collateralized, in whole or in part, by the Loans or the Commitments. Notwithstanding the

foregoing, Borrower consents to the publication by Lender of a tombstone or similar advertising material relating to the financing transactions contemplated by this Agreement, and Lender reserves the right to provide to industry trade organizations information necessary and customary for inclusion in league table measurements.

9.10 Captions.

Captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

9.11 Nature of Remedies.

All Obligations of Borrower and rights of Lender expressed herein or in any other Loan Document shall be in addition to and not in limitation of those provided by applicable law. No failure to exercise and no delay in exercising, on the part of Lender, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

9.12 Counterparts.

This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement. Receipt by telecopy of any executed signature page to this Agreement or any other Loan Document shall constitute effective delivery of such signature page.

9.13 Severability.

The illegality or unenforceability of any provision of this Agreement or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Agreement or any instrument or agreement required hereunder.

9.14 Entire Agreement.

This Agreement, together with the other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof and any prior arrangements made with respect to the payment by Borrower of (or any indemnification for) any fees, costs or expenses payable to or incurred (or to be incurred) by or on behalf of Lender.

9.15 Successors; Assigns.

This Agreement shall be binding upon Borrower and Lender and their respective successors and assigns, and shall inure to the benefit of Borrower and Lender and the successors and assigns of Lender. No other Person shall be a direct or indirect legal beneficiary of, or have

any direct or indirect cause of action or claim in connection with, this Agreement or any of the other Loan Documents. Borrower may not assign or transfer any of its rights or Obligations under this Agreement without the prior written consent of Lender.

9.16 Governing Law.

THIS AGREEMENT AND EACH NOTE SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES TO THE EXTENT THAT SUCH PRINCIPLES WOULD REQUIRE THE APPLICATION OF LAWS OF ANOTHER JURSIDICTION.

9.17 Forum Selection; Consent to Jurisdiction.

ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK (IN EACH CASE, SITTING IN THE BOROUGH OF MANHATTAN); PROVIDED THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. BORROWER HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS SET FORTH ABOVE. BORROWER FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF NEW YORK. BORROWER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

9.18 Waiver of Jury Trial.

EACH OF BORROWER AND LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT, ANY NOTE, ANY OTHER LOAN DOCUMENT AND ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[*SIGNATURE PAGES FOLLOW*]

The parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first set forth above.

[____________________],
as Borrower

By: ____________________
Name: ____________________
Title: ____________________

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,
as Lender

By: ____________________
Name: ____________________
Title: ____________________

ANNEX I

Commitments and Pro Rata Shares

Lender	Revolving Commitment Amount	Pro Rata Share	Term A Loan Amounts	Pro Rata Share	Term B Loan Amounts	Pro Rata Share
Compass Group Diversified Holdings LLC	**[$__________]**	100%	**[$__________]**	100%	**[$__________]**	100%
TOTALS	**[$__________]**	100%	**[$__________]**	100%	**[$__________]**	100%

Annex II

Addresses

____
____
____
Attention: ___________
Telephone: ___________
Telecopy: ___________

Compass Group Diversified Holdings LLC,
as Lender

Address for Notices:

Sixty One Wilton Road, Second Floor
Westport, Connecticut 06880
Attention: I. Joseph Massoud
Telephone: (203) 221-1703
Telecopy: (203) 221-8253
Address for Payments:

Bank: **[________________________]**
ABA #: **[______________________]**
Account #: **[______________________]**
Reference: Compass Group Diversified Holdings LLC
Address: **[______________________]**

Exhibit A

Form of Assignment Agreement

This Assignment Agreement (this "Assignment Agreement") is entered into as of __________ by and between the Assignor named on the signature page hereto ("Assignor") and the Assignee named on the signature page hereto ("Assignee"). Reference is made to the Credit Agreement dated as of **[**__________, 200___**]** (as amended or otherwise modified from time to time, the "Credit Agreement") by and between **[**____________________**]** ("Borrower") and Compass Group Diversified Holdings LLC, as lender (together with any successors or assigns, the "Lender"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Credit Agreement.

Assignor and Assignee agree as follows:

1. Assignor hereby sells and assigns to Assignee, and Assignee hereby purchases and assumes from Assignor the interests set forth on the schedule attached hereto, in and to Assignor's rights and obligations under the Credit Agreement and the other Loan Documents as of the Effective Date (as defined below). Such purchase and sale is made without recourse, representation or warranty except as expressly set forth herein.

2. Assignor (i) represents that, as of the Effective Date, it is the legal and beneficial owner of the interests assigned hereunder free and clear of any adverse claim; (ii) makes no other representation or warranty and assumes no responsibility with respect to any statement, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, any Loan Documents or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or any other Person or the performance or observance by any Loan Party of its Obligations under the Credit Agreement or the Loan Documents or any other instrument or document furnished pursuant thereto.

3. Assignee (i) represents and warrants that it is legally authorized to enter into this Assignment Agreement; (ii) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant thereto and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (iii) agrees that it will, independently and without reliance upon Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iv) agrees that it will perform in accordance with their terms all obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; (vi) represents that on the date of this Assignment Agreement it is not presently aware of any facts that would cause it to make a claim under the Credit Agreement; and (vii) if organized under the laws of a jurisdiction outside the United States, attaches the forms prescribed by the Internal Revenue Service of the United States, which have been duly executed, certifying as to Assignee's exemption from United States withholding taxes with respect to all payments to be made to Assignee under the Agreement or

such other documents as are necessary to indicate that all such payments are subject to such tax at a rate reduced by an applicable tax treaty.

4. The effective date for this Assignment Agreement shall be as set forth on the schedule attached hereto (the "Effective Date").

5. Upon such acceptance and recording, from and after the Effective Date, (i) Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment Agreement, have the rights and obligations of a Lender thereunder and (ii) Assignor shall, to the extent provided in this Assignment Agreement, relinquish its rights (other than indemnification rights) and be released from its obligations under the Credit Agreement.

6. Upon such acceptance and recording, from and after the Effective Date, Borrower shall make all payments in respect of the interest assigned hereby (including payments of principal, interest, fees and other amounts) to Assignee. Assignor and Assignee shall make all appropriate adjustments in payments for periods prior to the Effective Date with respect to the making of this assignment directly between themselves.

7. THIS ASSIGNMENT AND ACCEPTANCE SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

8. This Assignment may be executed in any number of counterparts and by the different parties hereto on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Assignment. Receipt by telecopy of any executed signature page to this Assignment shall constitute effective delivery of such signature page.

The parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

ASSIGNOR:

____

By: ______________________________

Title: ______________________________

ASSIGNEE:

____

By: ______________________________

Title: ______________________________

[Consented to:

[______________________________,
as Borrower

By: ______________________________

Title: ______________________________**]**

Schedule to Assignment Agreement

Assignor: ______________________

Assignee: ______________________

Effective Date: ______________________

Credit Agreement dated as of **[**__________, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement") among **[**____________________**]** ("Borrower") and Compass Group Diversified Holdings LLC, as Lender

Interests Assigned:

Commitment/Loan	Revolving Loan Commitment	Term A Loan Commitment	Term B Loan Commitment
Assignor Amounts	$	$	$
Amounts Assigned	$	$	$
Assignee Amounts (post-assignment)	$	$	$

Assignee Information:

Address for Notices:

____

____

Attention: ______________________

Telephone: ______________________

Telecopy: ______________________

Address for Payments:

Bank: ______________________

ABA #: ______________________

Account #: ______________________

Reference: ______________________

Exhibit B

Form of Compliance Certificate

Please refer to the Credit Agreement dated as of **[__________**, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement") between the undersigned ("Borrower") and Compass Group Diversified Holdings LLC, as lender (together with any successors or assigns, the "Lender"). This certificate (this "Certificate"), together with supporting calculations attached hereto, is delivered to Lender pursuant to the terms of the Credit Agreement. Terms used but not otherwise defined herein are used herein as defined in the Credit Agreement.

Enclosed herewith is a copy of the **[annual audited/quarterly]** report of Borrower as at [**__________, 200___**] (the "Computation Date"), which report fairly presents in all material respects the financial condition and results of operations **[(subject to the absence of footnotes and to normal year-end adjustments)]** of Borrower as of the Computation Date and has been prepared in accordance with GAAP consistently applied.

Borrower hereby certifies and warrants that the computations set forth on the schedule attached hereto correspond to the ratios and/or financial restrictions contained in the Credit Agreement and such computations are true and correct as at the Computation Date.

Borrower further certifies that no Event of Default or Default has occurred and is continuing.

Borrower has caused this Certificate to be executed and delivered by its officer thereunto duly authorized on [**__________, 200___**].

[______________________________]

By:
Title:

Schedule to Compliance Certificate
Dated as of [______, **200__**]

A.	Section 7.14.1 - Minimum Fixed Charge Coverage Ratio		
	1.	Consolidated Net Income	$__________
	2.	Plus: Interest Expense	$__________
		income tax expense	$__________
		depreciation	$__________
		amortization	$__________
		other non-cash charges	$__________
		management fees paid or accrued	$__________
	3.	Total (EBITDA)	$__________
	4.	Income taxes paid	$__________
	5.	Tax distributions	$__________
	6.	Capital Expenditures	$__________
	7.	Sum of (4), (5) and (6)	$__________
	8.	Remainder of (3) minus (7)	$__________
	9.	Interest Expense paid in cash	$__________
	10.	Required payments of principal of Funded Debt (including Term Loans but excluding Revolving Loans)	$__________
	11.	Management fees paid in cash	$__________
	12.	Sum of (9), (10) and (11)	$__________
	13.	Ratio of (8) to (12)	____ to 1
	12.	Minimum Required	____ to 1
B.	Section 7.14.2 - Maximum Total Debt to EBITDA Ratio		
	1.	Total Debt	$__________
	2.	EBITDA (from Item A(3) above)	$__________
	3.	Ratio of (1) to (2)	____ to 1
	4.	Maximum allowed	____ to 1
C.	Section 7.14.3 - Capital Expenditures		
	1.	Capital Expenditures for the Fiscal Year	$__________
	2.	Maximum Permitted Capital Expenditures	$__________

Exhibit C

Form of Availability Certificate

Please refer to the Credit Agreement dated as of **[__________**, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement") between the undersigned ("Borrower") and Compass Group Diversified Holdings LLC, as lender (together with any successors or assigns, the "Lender"). This certificate (this "Certificate"), together with supporting calculations attached hereto, is delivered to Lender pursuant to the terms of the Credit Agreement. Capitalized terms used but not otherwise defined herein shall have the same meanings herein as in the Credit Agreement.

Borrower hereby certifies and warrants that at the close of business on [**__________, 200___**] (the "Calculation Date"), Borrowing Availability was [$**__________**], computed as set forth on the schedule attached hereto.

Borrower has caused this Certificate to be executed and delivered by its officer thereunto duly authorized on [**__________, 200___**].

[______________________________]

By:
Title:

1.	Gross Accounts		$__________
2.	Less Ineligibles		
	- Does not arise from sale of goods or services	$__________	
	- Lender’s Lien not perfected/Subject to other Lien	$__________	
	- Subject to offset, etc.	$__________	
	- Account Debtor in bankruptcy	$__________	
	- Account Debtor not in U.S. or Canada	$__________	
	- Sale on approval, sale or return, bill and hold or consignment	$__________	
	- Arises outside the ordinary course	$__________	
	- Governmental Accounts	$__________	
	- Exceeds credit limits	$__________	
	- Chattel Paper	$__________	
	- Over 60 days past due or over 90 days past invoice date	$__________	
	- Affiliate receivables	$__________	
	- Cross-age	$__________	
	- Concentration	$__________	
	- Not denominated in Dollars	$__________	
	- Other	$__________	
	- Total		$__________
3.	Eligible Accounts **[*Item 1 minus Item 2*]**		$__________
4.	Item 3 times 85%		$__________
5.	Gross Inventory		$__________
6.	Less Ineligibles		
	- Lender’s Lien not perfected/Subject to other Lien	$__________	
	- Not Salable	$__________	
	- Located off-site and no Collateral Access Agreement	$__________	
	- Arises outside the ordinary course	$__________	
	- “Hot Goods”	$__________	
	- Restrictive Agreement	$__________	
	- Not located in U.S.	$__________	
	- In-transit or held or delivered on consignment	$__________	
	- Other	$__________	
	- Total		$__________
7.	Eligible Inventory **[*Item 5 minus Item 6*]**		$__________
8.	Item 7 times 50%		$__________
9.	Item 4 plus Item 8		$__________

10.	Lesser of Item 9 and Revolving Loan Commitment	$__________
11.	Reserves and allowances	$__________
12.	Borrowing Availability ***[Item 10 minus Item 11]***	$__________
13.	Revolving Loans	$__________
14.	Net Availability ***[Excess of Item 12 over Item 13]***	$__________
15.	Required Prepayment ***[Excess of Item 13 over Item 12]***	$__________

Exhibit D

Form of Note

[_____________, 200___**]**
$_____________________ **[**Westport, Connecticut**]**

The undersigned ("Borrower"), for value received, promises to pay to the order of Compass Group Diversified Holdings LLC ("Lender") at its principal office of 61 Wilton Road, Westport, Connecticut 06880, the aggregate unpaid amount of all Loans made to Borrower by Lender pursuant to the Credit Agreement referred to below, such principal amount to be payable on the dates set forth in the Credit Agreement.

Borrower further promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such Loan is paid in full, payable at the rate(s) and at the time(s) set forth in the Credit Agreement. Payments of both principal and interest are to be made in lawful money of the United States of America.

This Note evidences indebtedness incurred under, and is subject to the terms and provisions of, the Credit Agreement, dated as of **[**___________, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement"; terms not otherwise defined herein are used herein as defined in the Credit Agreement), between Borrower and Compass Group Diversified Holdings LLC, as lender, to which Credit Agreement reference is hereby made for a statement of the terms and provisions under which this Note may or must be paid prior to its due date or its due date accelerated.

This Note is made under and governed by the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

[_____________________**]**

By: ____

Title: ____

Exhibit E

Form of Notice of Borrowing

Please refer to the Credit Agreement dated as of **[__________**, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement") between the undersigned ("Borrower") and Compass Group Diversified Holdings LLC, as Lender. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement. This notice is given pursuant to Section 2.2.2 of the Credit Agreement. Borrower hereby requests a borrowing under the Credit Agreement as follows:

The aggregate amount of the proposed borrowing is [$__________]. The requested borrowing date for the proposed borrowing (which is a Business Day) is **[__________**, 200___**]**. The Revolving Loans comprising the proposed borrowing are **[Base Rate][LIBOR]** Loans. The duration of the Interest Period for each LIBOR Loan made as part of the proposed borrowing, if applicable, is **[__________]** months (which shall be 1, 2, 3 or 6 months).

Borrower has caused this Notice to be executed and delivered by its officer thereunto duly authorized on [**__________, 200___**].

[____________________]

By: ____

Title: ____

Exhibit F

Form of Notice of Conversion/Continuation

Please refer to the Credit Agreement dated as of **[**__________, 2006**]** (as amended or otherwise modified from time to time, the "Credit Agreement") between the undersigned ("Borrower") and Compass Group Diversified Holdings LLC, as Lender. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement. This notice is given pursuant to Section 2.2.3 of the Credit Agreement. Borrower hereby requests a [**conversion**][**continuation**] of [**Term** A **Loans**][**Term** B **Loans**][**Revolving Loans**] as follows:

The date of the proposed [**conversion**] [**continuation**] is [**__________, 200___**] (which shall be a Business Day). The aggregate amount of the [**Term** [**A**][**B**] **Loans**] [**Revolving Loans**] proposed to be [**converted**] [**continued**] is $____________________. [**Specify which part is to be converted and which part is to be continued, if appropriate.**] The Loans to be [**continued**] [**converted**] are [**Base Rate Loans**] [**LIBOR Loans**] and the Loans resulting from the proposed [**conversion**] [**continuation**] will be [**Base Rate Loans**] [**LIBOR Loans**]. The duration of the requested Interest Period for each LIBOR Loan made as part of the proposed [**conversion**] [**continuation**] is [___] months (which shall be 1, 2, 3 or 6 months).

Borrower has caused this Notice to be executed and delivered by its officer thereunto duly authorized on [**__________, 200___**].

[____________________]

By: ____

Title: ____

[Sutherland Asbill & Brennan LLP Letterhead]

CHRISTOPHER M. ZOCHOWSKI
DIRECT LINE: 202.383.0511
E-mail: christopher.zochowski@sablaw.com

April 26, 2006

VIA COURIER

Mr. Larry Spirgel
Assistant Director
Office of Telecommunications
Mail Stop 3561
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Compass Diversified Trust and Compass Group Diversified Holdings LLC
Amendment No. 4 to Registration Statement on Form S-1
filed April 26, 2006 File No. 333-130326; File No. 333-120326-01

Dear Mr. Spirgel:

On behalf of our client, Compass Diversified Trust and Compass Group Diversified Holdings LLC, please find enclosed Amendment No. 4 to Registration Statement on Form S-1 filed on April 26, 2006.

If you have any questions or concerns, please do not hesitate to contact me.

Best regards,

Christopher M. Zochowski